

To: Mackey, Cyndy[Mackey.Cyndy@epa.gov]; Woolford, James[Woolford.James@epa.gov]; Fotouhi, David[fotouhi.david@epa.gov]; Brown, Byron[brown.byron@epa.gov]; Lloyd, David[Lloyd.David@epa.gov]
Cc: Falvo, Nicholas[falvo.nicholas@epa.gov]; Jackson, Ryan[jackson.ryan@epa.gov]
From: Kelly, Albert
Sent: Tue 5/16/2017 4:06:16 PM
Subject: infrastructure request

Ex. 5 - Deliberative Process

Ex. 5 - Deliberative Process

As you prepare your thoughts, it would be helpful to share that work product with each of us. We have the 'all hands' meeting Friday afternoon and it has been suggested we have suggestion ready to perhaps share and discuss then. Any thoughts or questions are always appreciated.

Albert Kelly

Senior Advisor to the Administrator

1200 Pennsylvania Avenue, NW

Washington, DC 20460

202 306 8830

To: Brown, Byron[brown.byron@epa.gov]; Fotouhi, David[fotouhi.david@epa.gov]
Cc: Graham, Amy[graham.amy@epa.gov]
From: Bowman, Liz
Sent: Fri 6/9/2017 10:25:43 PM
Subject: RE: FOR APPROVAL

Thank you! Sending this over now.

From: Brown, Byron
Sent: Friday, June 9, 2017 6:23 PM
To: Bowman, Liz <Bowman.Liz@epa.gov>; Fotouhi, David <fotouhi.david@epa.gov>
Cc: Graham, Amy <graham.amy@epa.gov>
Subject: RE: FOR APPROVAL

Ex. 5 - Deliberative Process

From: Bowman, Liz
Sent: Friday, June 9, 2017 6:21 PM
To: Brown, Byron <brown.byron@epa.gov>; Fotouhi, David <fotouhi.david@epa.gov>
Cc: Graham, Amy <graham.amy@epa.gov>
Subject: RE: FOR APPROVAL

Ex. 5 - Deliberative Process

Ex. 5 - Deliberative Process

From: Brown, Byron
Sent: Friday, June 9, 2017 6:15 PM
To: Bowman, Liz <[Bowman.Liz@epa.gov](mailto: Bowman.Liz@epa.gov)>; Fotouhi, David <fotouhi.david@epa.gov>
Cc: Graham, Amy <graham.amy@epa.gov>
Subject: RE: FOR APPROVAL

How about:

Ex. 5 - Deliberative Process

From: Bowman, Liz
Sent: Friday, June 9, 2017 5:19 PM
To: Fotouhi, David <fotouhi.david@epa.gov>; Brown, Byron <brown.byron@epa.gov>
Cc: Graham, Amy <graham.amy@epa.gov>
Subject: FOR APPROVAL
Importance: High

Can you please review this statement, and let me know if you have edits? This is for a piece by the Washington Post on Superfunds,

Ex. 5 - Deliberative Process

Ex. 5 - Deliberative Process

I have to send this ASAP, so please review as soon as you can.

Ex. 5 - Deliberative Process

Ex. 5 - Deliberative Process

Liz Bowman

U.S. Environmental Protection Agency (EPA)

Office: 202-564-3293

To: Beck, Nancy[Beck.Nancy@epa.gov]; Bennett, Tate[Bennett.Tate@epa.gov]; Freire, JP[Freire.JP@epa.gov]; Bolen, Brittany[bolen.brittany@epa.gov]; Bowman, Liz[Bowman.Liz@epa.gov]; Brown, Byron[brown.byron@epa.gov]; Kelly, Albert[kelly.albert@epa.gov]; Greenwalt, Sarah[greenwalt.sarah@epa.gov]; Chmielewski, Kevin[chmielewski.kevin@epa.gov]; Dravis, Samantha[dravis.samantha@epa.gov]; Fotouhi, David[fotouhi.david@epa.gov]; Graham, Amy[graham.amy@epa.gov]; Gunasekara, Mandy[Gunasekara.Mandy@epa.gov]; Hupp, Millan[hupp.millan@epa.gov]; Konkus, John[konkus.john@epa.gov]; Lyons, Troy[lyons.troy@epa.gov]; McMurray, Forrest[mcmurray.forrest@epa.gov]; Palich, Christian[palich.christian@epa.gov]; Ringel, Aaron[ringel.aaron@epa.gov]; Schwab, Justin[schwab.justin@epa.gov]; Wagner, Kenneth[wagner.kenneth@epa.gov]; Wilcox, Jahan[wilcox.jahan@epa.gov]; Hupp, Sydney[hupp.sydney@epa.gov]
Cc: Ford, Hayley[ford.hayley@epa.gov]; Jackson, Ryan[jackson.ryan@epa.gov]
From: Munoz, Charles
Sent: Mon 5/15/2017 8:05:43 PM
Subject: 30-Day Update Reminder
EPA Cabinet 30 Day Report 5.9.17 FINAL.docx

Ex. 5 - Deliberative Process

All,

This is your friendly reminder to please send Hayley and I your updated 30-day reports for Cabinet Affairs if you haven't done so already. I've attached the previous report to help with any questions.

Charles Munoz

White House Liaison

Environmental Protection Agency

202-380-7967

To: Graham, Amy[graham.amy@epa.gov]; Kelly, Albert[kelly.albert@epa.gov]; Davis, Patrick[davis.patrick@epa.gov]; Brown, Byron[brown.byron@epa.gov]; Bowman, Liz[Bowman.Liz@epa.gov]
From: Fotouhi, David
Sent: Thur 5/11/2017 11:32:04 PM
Subject: RE: Questions on Superfund announcement

Amy: Sorry for the delay;

Ex. 5 - Deliberative Process

Ex. 5 - Deliberative Process

David Fotouhi

Deputy General Counsel

Office of General Counsel

U.S. Environmental Protection Agency

Tel: +1 202.564.1976

fotouhi.david@epa.gov

From: Graham, Amy

Sent: Thursday, May 11, 2017 9:20 AM

To: Kelly, Albert <kelly.albert@epa.gov>; Fotouhi, David <fotouhi.david@epa.gov>; Davis, Patrick <davis.patrick@epa.gov>; Brown, Byron <brown.byron@epa.gov>; Bowman, Liz <Bowman.Liz@epa.gov>

Subject: Fwd: Questions on Superfund announcement

Hi - good morning. Can you help provide answers to these questions for a noon deadline?

-The memo mentions the OLEM AA multiple times. Are any of these new responsibilities for the OLEM AA?

Ex. 5 - Deliberative Process; ACC

--At what level were these remedial decisions previously handled?

Ex. 5 - Deliberative Process; ACC

Ex. 5 - Deliberative Process; ACC

--About how many NPL sites have a selected remedy expected to cost \$50 million and

Ex. 5 - Deliberative Process; ACC

Begin forwarded message:

Resent-From: <Press@epa.gov>
From: "Carignan, Sylvia" <scarignan@bna.com>
Date: May 11, 2017 at 9:00:15 AM EDT
To: Press <Press@epa.gov>
Subject: Questions on Superfund announcement

Hi EPA,

As you might guess, I have a few questions for you all about yesterday's announcement from the administrator about prioritizing Superfund cleanup. Please see below:

--The memo mentions the OLEM AA multiple times. Are any of these new responsibilities for the OLEM AA?

--At what level were these remedial decisions previously handled?

--About how many NPL sites have a selected remedy expected to cost \$50 million and up?

My deadline on these is noon today; please be in touch if you don't expect to make that deadline.

Thanks,

Sylvia

Sylvia Carignan

Bloomberg BNA

Direct 703-341-3708

To: Brown, Byron[brown.byron@epa.gov]; Fotouhi, David[fotouhi.david@epa.gov]; Breen, Barry[Breen.Barry@epa.gov]; Patrick.davis@Epa.gov[Patrick.davis@Epa.gov]
From: Laws, Elliott
Sent: Wed 5/10/2017 8:59:28 PM
Subject: Superfund Administrative Reforms
Model-Purchase-and-Sale-Agreement-for-RACER-Properties-LLC.pdf
Ewing remediation and redevelopment summary 050517.pdf
Proposed Survey of BF Buyers 05.04.2017.pdf

Gentlemen – thank you for taking the time last week to discuss the history of some of the Superfund Administrative Reforms instituted by the program over the years as well as some possible options for additional reforms. As we discussed, I am attaching the following:

1 – a link to the RACER Trust Settlement Agreement and related documents (In re Motors Liquidation Company, *et al.*, f/k/a General Motors Corp., *et al.*; Case No. 09-50026; Bankr. S.D.N.Y):
http://www.racertrust.org/About_RACER/Settlement_Agreement.

2 – a copy of a standard form RACER Trust Purchase and Sale Agreement with environmental provisions affecting both the Trust and the purchaser of the property highlighted in yellow.

3 – a RACER analysis of the likely steps that Atlantic Realty will undertake in order to construct residential properties at the Trust's Delphi Trenton Industrial Land property in Ewing, NJ. Since the determination of what additional environmental work required to move the portion of the property designated for residential from the Trust level of cleanup to a residential is between the purchaser and the NJ Department of Environmental Protection, the Trust Cleanup Manager has generally described process and the likely steps that the purchaser will be required to take.

4 – a draft of a survey RACER is considering undertaking to determine the reasons why environmentally impaired properties (primarily brownfields) may or may not be purchased by developers or companies. We would welcome any comments that you might have.

Lastly, I expect the invitation for Administrator Pruitt to visit the FMC OU of the East

Michaud Flats Superfund Site in Pocatello, ID to be forthcoming from FMC Corp. and ValleyAgronomics, LLC within the next week.

Please feel free to contact me if you have any questions on the materials provided or if you wish to further discuss the Superfund program.

Elliott P. Laws

elaws@crowell.com

Direct 1.202.624.2798 | Fax: 1.202.322.9511

Crowell & Moring LLP | www.crowell.com

1001 Pennsylvania Avenue NW
Washington, DC 20004

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Attorney Work Product

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Brownfield Redevelopment in New Jersey

RACER's experience/perspective

RACER Trust is currently working on the cleanup and redevelopment of its Ewing Township, NJ site. Below is some perspective on the work RACER is doing to cleanup and facilitate redevelopment on the project and how that work supports and interacts with the developers responsibilities. If additional information is desired, Bruce Rasher **Ex. 6 - Personal Privacy** can respond to transactional questions, and Robert Hare **Ex. 6 - Personal Privacy** can respond to environmental questions. Additional information and documents referenced below can be found on the RACER Trust website at www.racertrust.org.

RACER Trust was formed out of the bankruptcy of General Motors Corporation and assumed funding and responsibility for cleanup, along with a clear objective of promoting redevelopment, of this former GM manufacturing site. The mandate included cleanup to achieve regulatory closure to non-residential criteria and to position the site for reuse to maximize the benefit to the community.

RACER is in the process of achieving cleanup to the non-residential regulatory end-points consistent with the funding provided and a bankruptcy Settlement Agreement signed by the State of New Jersey. The highest and best use of the property, which is supported by the community, is mixed use (residential, commercial/retail, live-work space). This use requires further, incremental remedial action by the buyer to achieve the NJDEP more restrictive residential cleanup criteria. The buyer has indicated that they expect to utilize NJDEP pre-approved remedial methods, called Presumptive Remedies (i.e., clean soil capping) to achieve many of their obligations, along with some limited excavation, but ultimately they will be working separately with the NJDEP to determine the incremental efforts needed to satisfy the NJ requirements for the intended use. Note that the cost to perform any additional remediation will be funded by the buyer out of the transaction; i.e., no contribution from the seller, or public sources of financing will be used.

Post-closing and beyond, after development is complete, both RACER Trust and the buyer will have long term obligations for maintenance and monitoring of the remedial actions that were implemented. Funding for their respective monitoring efforts will be borne by each party separately.

PURCHASE AND SALE AGREEMENT

[For the sale of real property in ILLINOIS, MASSACHUSETTS, MICHIGAN, NEW JERSEY, NEW YORK, and OHIO]

Between

SELLER:

**RACER PROPERTIES LLC,
a Delaware limited liability company**

And

BUYER:

_____,
a _____

Property Address:

Town/City of _____
County of _____
State of _____

Tax Parcel Identification Number(s):

RACER Reference #_____

BASIC TERMS

This Basic Terms are incorporated in the Purchase and Sale Agreement attached hereto, including all Exhibits (collectively, the "**Agreement**"), between Seller and Buyer (as such terms are defined below). The Basic Terms do not include all of the relevant terms and provisions relating to each of the items below and Seller and Buyer should carefully review all of the terms and provisions of the Agreement.

1. Seller: **RACER PROPERTIES LLC**, a Delaware limited liability company
2. Buyer: _____, a _____
3. Effective Date: _____, 201__
4. Real Property: Real property having an address at _____ in the Town/City of _____, County of _____, State of _____ ("**State**"), consisting of approximately _____ acres of land, and more particularly described on **Exhibit A** attached hereto.
5. RACER Ref. No.: _____
6. Purchase Price: \$ _____
7. Deposit: \$ _____
8. Outside Closing Date: _____
9. Escrow Agent/Title Company:

Ex. 6 - Personal Privacy
10. Inspection Period: Sixty (60) Days
11. Broker (if any): _____
12. Settlement Agreement: The Environmental Response Trust Consent Decree and Settlement Agreement among Motors Liquidation Company (f/k/a General Motors Corporation), Seller's predecessor -in-interest, and its affiliated debtors as debtors and debtors in possession, the States and EPLET, LLC, (not individually but solely in its representative capacity as Administrative Trustee of the "Environmental Response

Trust" established thereby) that established the Trust, notice of which was published in the 75 Fed. Reg. 66390 (Oct. 28, 2010) and a copy of which is available on the Trust's website at http://racertrust.org/About_RACER/Settlement_Agreement.

13. Trust: Revitalizing Auto Communities Environmental Response Trust, a trust formed under the laws of the State of New York, the Sole Beneficiary of which is the United States of America.

PURCHASE AND SALE AGREEMENT

This Purchase and Sale Agreement (the "**Agreement**") is made as of the above-referenced Effective Date between Seller and Buyer for the sale of the Property (defined below in Recital A), subject to the terms and conditions set forth herein. Each party hereto may be referred to herein as a "**Party**" or collectively as the "**Parties**". Initially capitalized terms used but not otherwise defined in this Agreement are defined in the Settlement Agreement.

RECITALS:

A. Seller is the owner of the Real Property, which Real Property, together with all of Seller's right, title, and interest in and to all appurtenances and improvements, if any, will be referred to collectively, as the "**Property**."

B. Pursuant to the Settlement Agreement, effective as of March 31, 2011 (and accompanying "Trust Agreement" of the same date), and the Findings of Fact, Conclusions of Law, and Order Pursuant to Sections 1129(A) and (B) of the Bankruptcy Code and Rule 3020 of the Federal Rules of Bankruptcy Procedure Confirming Debtors' Second Amended Joint Chapter 11 Plan, entered by the U.S. Bankruptcy Court for the Southern District of New York on March 29, 2011 "**Confirmation Order**" (Trust Agreement and Confirmation Order are collectively referred to herein as "**Bankruptcy Documents**"), subject to funding and other limitations described therein, the Trust is obligated, with its successors and assigns, to conduct certain Environmental Action at, on, in, under or about the Property, or otherwise to comply with Environmental Laws and the requirements of any other governmental agency or authority, in each case having jurisdiction over the Property (each, a "**Governmental Authority**"), including without limitation the United States Environmental Protection Agency ("**USEPA**") and the corresponding agency within the State ("**[Name of corresponding State environmental agency]**"). **[IF THE PROPERTY IS A RACER ENVIRONMENTAL ACTION SITE:** As identified in Attachment A of the Settlement Agreement, as of the Effective Date the Governmental Authority with the lead oversight role for the Property's Environmental Action is _____.]

C. Notwithstanding any such existing obligations of the Trust for such Environmental Actions, Seller desires to sell, transfer and convey, and Buyer desires to purchase and acquire, the Property, subject to the terms and conditions thereof.

NOW, THEREFORE, for good and valuable consideration, including the mutual covenants, conditions and promises contained herein, Seller and Buyer hereby agree as follows:

ARTICLE 1

TERMS OF SALE

1.1 Purchase and Sale. Buyer will purchase and acquire the Property from Seller, and Seller will sell and convey the Property to Buyer, on the terms and subject to the conditions set forth in this Agreement (the "**Sale**"). Buyer acknowledges that the Sale does not include any personal property.

1.2 Purchase Price. On or before the Effective Date, Buyer will deliver the Deposit to the Title Company, by certified check or wire transfer of immediately available funds, which Deposit will be held by the Title Company in escrow. Contemporaneously with its

execution of this Agreement, Buyer will complete and deliver to Title Company, an executed Form W-9 and any other documents required by all applicable laws and other requirements of any Governmental Authority having jurisdiction over the Property (collectively, "**Laws**") in connection therewith. At the Closing, the Deposit will be applied towards the Purchase Price, except as otherwise provided herein. If the Sale fails to close when required hereunder, by reason of: (a) Buyer's default, then the Deposit will automatically, and without further act, be paid to Seller; or (b) any reason other than Buyer's default, then the Deposit will be paid to Buyer, in each case, except as otherwise expressly provided in this Agreement.

1.3 Settlement Agreement. This Agreement will be subject to the terms of the Settlement Agreement. Where the terms of this Agreement and of the Settlement Agreement conflict, the terms of the Settlement Agreement will control. Buyer acknowledges that it has been provided with a copy of or access to, and has had an opportunity to review, the Settlement Agreement.

1.4 Application of the Settlement Agreement to the Property.

1.4.1 Any Environmental Condition existing at, on, in, under or about the Property as of the Effective Date for which the Trust has actual knowledge and is obligated to perform Environmental Actions under this Agreement, the Settlement Agreement, or any other Bankruptcy Document is defined herein as a "**Pre-Existing Environmental Condition.**"

1.4.2 Restrictions under the Settlement Agreement with respect to Seller's Funding Accounts may limit the liabilities and obligations of Seller under this Agreement.

1.4.3 Seller will not adjust the Purchase Price with respect to any Settlement Agreement requirements or restrictions.

ARTICLE 2

CONDITION; INSPECTION

2.1 Existing Conditions.

2.1.1 Buyer acknowledges and agrees that it is relying upon its own investigation of the physical, economic use, compliance and environmental condition of the Property. Accordingly, except as may be specifically provided otherwise in this Agreement, the Property is being sold, and Buyer hereby agrees to accept the Property, in "AS IS, WHERE IS, WITH ALL FAULTS" condition as of the "**Closing Date**" (as defined in Section 6.1.1 below) without reliance upon any representation, warranty or covenant whatsoever with respect to the physical condition, fitness for a particular use or economic viability, including without limitation: (a) the compliance of the Property or its operation with any applicable Laws; (b) the availability, quality, nature, adequacy and physical condition of any utilities serving the Property; (c) the Intended Use as defined below or any other use; (d) the presence or existence of any Pre-Existing Environmental Condition, and any other Environmental Condition, whether or not disclosed in the Environmental Reports; or (e) any actual or threatened liability of any kind arising from, or related to, an Environmental Claim, any Environmental Condition, or any other violation of any Environmental Law. For purposes hereof, "**Intended Use**" means [FOR MICHIGAN ONLY: any nonresidential cleanup criteria category referenced in Section 324.20120a(l)(b) of the Michigan Consolidated Laws ("**MCL**") and] the nonresidential land uses described in the attached Declaration of Restrictive Covenant or Environmental Restrictive Covenant recorded or to be

recorded in the chain of title for the Property, or other recorded document that sets forth the restrictions of the Property.

2.1.2 Buyer acknowledges and agrees that the Property will also be sold and conveyed subject to any and all work, actions and activities performed or taken by, or on behalf of, Buyer, its Affiliates or their respective agents, employees, contractors, representatives, and such other Persons over which Buyer exerts control thereof (the "**Buyer Representatives**"), during any access granted to them to the Property prior to the Closing Date, and any liabilities arising in connection therewith.

2.1.3 Buyer acknowledges that Pre-Existing Environmental Conditions may exist at, on, in, under or about the Property, and Seller has provided Buyer with access to environmental reports in Seller's possession pertaining to the Property (the "**Environmental Reports**"). Buyer has been provided access to and/or has reviewed the Environmental Reports, and by its execution and delivery of this Agreement, agrees to purchase the Property subject to all matters and conditions described therein, without any adjustment to the Purchase Price of any kind whatsoever. Buyer will have full rights to use and rely upon the Environmental Reports, and data included in the Environmental Reports, at its sole discretion and risk to support compliance with the requirements of all applicable environmental, health and safety laws, regulations, and ordinances. Buyer acknowledges and agrees that Seller makes no representations or warranties regarding the accuracy or completeness of any such reports. [FOR MICHIGAN ONLY: Buyer understands that, for purposes of MCL 324.20116, the Property constitutes a "facility" as that term is defined by MCL 324.20101(1)(s) and Seller has disclosed the nature and extent of the release in the Environmental Reports and any land or resource use restrictions.]

2.2 Physical Due Diligence.

2.2.1 Except as otherwise provided herein, during the period from the Effective Date through 5:00 pm Detroit time on the sixtieth (60th) day after the Effective Date (the "**Physical Inspection Period**"), Buyer may conduct, at Buyer's sole expense, any and all environmental, geotechnical and other physical due diligence regarding the Property reasonably required or desired by Buyer to satisfy itself in all material respects with the physical condition thereof, including any and all inspections and assessments (the "**Physical Inspection**") to determine the feasibility of any future development of the Property, if any, subject to the terms and conditions hereof and the Pre-Closing Access Agreement, in the form attached hereto as **Exhibit B**, dated as of the Effective Date. Buyer will provide copies to Seller of any and all reports, assessments, analysis, environmental site assessments, summaries and other materials provided by third party consultants in connection with, or otherwise pertaining to, such Physical Inspection (collectively, "**Buyer's Diligence**").

2.2.2 If Buyer is not satisfied with the results of the Physical Inspection (except for those matters already disclosed to Buyer in the Environmental Reports), then Buyer's sole right will be to terminate this Agreement by delivering written notice to Seller and Title Company prior to the expiration of the Physical Inspection Period, whereupon, effective as of the date Seller receives such written notice, this Agreement will be deemed terminated and of no further force and effect, Buyer will be entitled to receive a refund of the Deposit and the Parties will be relieved and released from any further liabilities or obligations under this Agreement, except to the extent otherwise expressly stated to survive the termination of this Agreement. If Buyer does not timely deliver notice to Seller and Title Company, then Buyer will be deemed to have waived and relinquished all rights and claims

to terminate this Agreement in connection with this provision, and this Agreement will continue in full force and effect in accordance with its terms.

2.2.3 If, prior to the expiration of the original Physical Inspection Period, Seller is unable to obtain a release of the United States Treasury Lien securing financing in the original maximum principal amount of \$33,300,000,000, subject to which the Property may have been conveyed to Seller (the "**Treasury Lien**"), if such Treasury Lien exists on the Property, at Buyer's election: (a) the original Physical Inspection Period will be extended on a day-to-day basis until such time as Seller obtains the release of the Treasury Lien; or (b) Buyer may terminate this Agreement as set forth above. If there is no Treasury Lien identified in the Title Commitment or other title records for the Property or otherwise not found to affect the Property, then this Section 2.2.3 shall not be deemed by the Parties to be a Closing Condition under Section 6.2.

2.2.4 Buyer will have the right to extend the Physical Inspection Period for two (2) consecutive periods of thirty (30) days (the "**Physical Inspection Extension Period**"), on the condition that:

(a) Buyer has notified Seller of its election to extend the Physical Inspection Period at least three (3) Business Days prior to the expiration of the original Physical Inspection Period, or the immediately preceding Physical Inspection Extension Period, as the case may be;

(b) No default by Buyer under this Agreement or any other Transaction Document has occurred; and

(c) In consideration of the Physical Inspection Extension Period, Buyer will deliver to Title Company in advance thereof, the sum of \$25,000 for such Extension Period (the "**Physical Inspection Period Extension Fee**"), which will be added to, and held in escrow as part of the Deposit. The Inspection Period Extension Fee shall be credited towards the Purchase Price in Buyer's favor at Closing, but shall be nonrefundable and payable to Seller if a Closing does not occur for any reason other than due to Seller's Default or a termination due to any title objections as set forth in Section 3.1.2(b) below, Casualty (defined in Section 9.1 below) or Condemnation (defined in Section 9.2 below).

2.2.5 Seller has no duty at any time to inform Buyer of any approaching or missed deadlines under the inspection Period or any Extension Period relating thereto.

2.3 Governmental Approvals

2.3.1 Buyer shall have, independent of the Physical Inspection Period or any Extension Period relating thereto, to obtain, at Buyer's sole expense, any and all approvals of any Governmental Authority (the "**Governmental Approvals Period**"), including but not limited to the Development Agreement (as defined below), reasonably required or desired by Buyer to develop and use the Property for the Intended Use.

2.3.2 Buyer will have the right to extend the Governmental Approvals Period for two (2) consecutive periods of thirty (30) days (the "**Governmental Approvals Extension Period**"), on the condition that:

(a) Buyer has notified Seller of its election to extend the Governmental Approvals Period at least three (3) Business Days prior to the expiration of

the original Governmental Approvals Period, or the immediately preceding Governmental Approvals Extension Period, as the case may be;

(b) No default by Buyer under this Agreement or any other Transaction Document has occurred; and

(c) In consideration of the extension, Buyer will deliver to Title Company in advance thereof, the sum of \$25,000 (the "**Governmental Approvals Period Extension Fee**"), which will be added to, and held in escrow as part of the Deposit. The Governmental Approvals Period Extension Fee shall be credited towards the Purchase Price in Buyer's favor at Closing, but shall be nonrefundable and payable to Seller if a Closing does not occur for any reason other than due to Seller's Default or a termination due to any title objections as set forth in Section 3.1.2(b) below, Casualty (defined in Section 9.1 below) or Condemnation (defined in Section 9.2 below).

2.3.3 Seller has no duty at any time to inform Buyer of any approaching or missed deadlines under the Governmental Approvals Period or any Extension Period relating thereto.

ARTICLE 3

TITLE AND SURVEY

3.1 Title.

3.1.1 Promptly after the Effective Date, Buyer may obtain at its own expense, and deliver, or cause to be delivered, to Seller, a title insurance commitment (the "**Title Commitment**") from the Title Company, underwritten by First American Title Insurance Company, including legible copies of all documents referenced therein. Within forty-five (45) days from the Effective Date (the "**Title Inspection Period**"), Buyer will deliver written notice to Seller ("**Objection Notice**") of its objection to any matter set forth in the Title Commitment ("**Objection Items**"). Within fifteen (15) days of Seller's receipt of the Objection Notice ("**Seller's Response Period**"), Seller will deliver written notice ("**Seller's Response Notice**") to Buyer setting forth which Objection Items, if any, Seller will cause to be insured over or removed, in its sole and absolute discretion, without regard to reasonableness, on or before the Closing Date. Seller's failure to deliver a Seller's Response Notice will be treated as if Seller had elected to not take any action with respect to any Objection Items, thereby rendering them Permitted Exceptions (defined below), unless Buyer elects to terminate this Agreement in accordance with Section 3.1.2(b). "**Permitted Exceptions**" means all exceptions contained in the Title Commitment and all Restrictions affecting the Property relating to the Environmental Actions or otherwise limiting the use and/or development of the Property to the Intended Use or to implement the Settlement Agreement: (i) to which Buyer does not object as herein provided; or (ii) as to which Buyer has waived or is deemed to have waived its objection.

3.1.2 Within five (5) Business Days after delivery of Seller's Response Notice or the expiration of Seller's Response Period, Buyer will notify Seller of its election to either: (a) accept title as it then is, subject to all Objection Items, in which event all Items other than those which Seller specifically agreed in Seller's Response Notice to remove or insure over, will become Permitted Exceptions; or (b) terminate this Agreement, whereupon Title Company will return the Deposit to Buyer and, except as otherwise expressly provided in this Agreement, neither Party will have any further rights or obligations under this Agreement.

3.1.3 If any endorsement or update issued to the Title Commitment contains matters other than those in the Title Commitment, Buyer will be entitled to object to any such matters by a written notice of objections to Seller on or before the date five (5) Business Days following Buyer's receipt of such endorsement or update. If Buyer fails to deliver to Seller a notice of objections on or before such date, Buyer will be deemed to have waived any objection to any matters appearing on such endorsement or update, and thereafter all such matters will be deemed to be Permitted Exceptions. Seller will have the option, but not the obligation within twenty (20) days after Seller's receipt of Buyer's notice of objection, to obtain the issuance of an endorsement to the Title Commitment removing such new matters or to obtain affirmative title insurance protection for such new matters, or to otherwise cure such matters. If Seller fails either to provide for the removal of such new matters or to obtain affirmative title insurance protection for, or otherwise cure, such new matters within such 20-day period, then this Agreement, at Buyer's option, will be terminated by written notice delivered to Seller within three (3) days after the expiration of such 20-day period. Upon delivery of such termination notice, this Agreement will automatically terminate, the Deposit will be promptly returned to Buyer, and the Parties will be released from all further obligations under this Agreement other than as specifically set forth herein. If Buyer fails to terminate this Agreement within the three-day period set forth above, all matters set forth in Buyer's notice of objections relating to such endorsement or update will be deemed to be Permitted Exceptions, and this Agreement will remain in full force and effect. If Buyer waives in writing its objection to any matters described in the notice of objections relating to such endorsement or update, such matters will be deemed to be Permitted Exceptions.

3.1.4 At Closing, Buyer may obtain, at Buyer's cost, a title insurance policy (the "**Title Policy**") from Title Company, insuring Buyer's fee interest in the Property, subject to the Permitted Exceptions; provided, however, the failure of Title Company to issue such Title Policy, shall not entitle Buyer to delay the Closing or terminate this Agreement, unless and to the extent Buyer has objected thereto during the Title Inspection Period, and Seller has agreed to the cure thereof as set forth in Section 3.1.1 above.

3.2 Survey. Buyer will have the right, in its sole discretion and at its sole expense, to cause a surveying company duly licensed in the State, to prepare and deliver to Buyer, Seller, and Title Company within forty-five (45) days after receipt by Buyer of the Title Commitment, an ALTA/NSPS survey of the Property sufficient for the issuance of Title Policy (the "**Survey**"); provided, however, should a Survey be required for the Deed (as defined in Section 4.1.2 below) to be accepted for recording by the appropriate County recorder's office, then Buyer, at its sole cost, will obtain the Survey during the Inspection Period. If Buyer elects, or is required, to obtain a Survey, the Survey will be specifically addressed and certified to each of Buyer, Seller and Title Company.

3.3 Extension. Buyer will have the right, upon prior reasonable request to Seller, to extend the Title Inspection Period for one additional thirty (30) day period (the "**Title Extension Period**"), on the condition that:

(a) Buyer has notified Seller of its election to extend the Title Inspection Period at least three (3) Business Days prior to the expiration of the original Title Inspection Period;

(b) no default by Buyer under this Agreement or any other Transaction Document has occurred; and

(c) in consideration of such Title Extension Period, Buyer has delivered to Escrow Agent in advance thereof, the sum of \$10,000 (the "**Title Extension Fee**"), which Title Extension Fee will be added to, and held in escrow together with the Deposit. The Title Extension Fee will be credited towards the Purchase Price in Buyer's favor at Closing, but shall be nonrefundable and payable to Seller if a Closing does not occur for any reason other than due to a Seller Default.

3.4 Seller has no duty to inform Buyer of any approaching or missed deadlines under the Title Inspection Period or any Extension Period relating thereto.

ARTICLE 4

SELLER'S REPRESENTATIONS, WARRANTIES AND COVENANTS

4.1 Seller's Representations and Warranties.

4.1.1 Pursuant to the Confirmation Order, title to the Property was conveyed to Seller pursuant to quit claim deed. Seller does not have a title insurance policy insuring its fee simple interest in the Property.

4.1.2 **Seller is wholly-owned by the Trust.** Seller has full capacity, right, power and authority to execute, deliver, and perform this Agreement and the Transaction Documents. This Agreement, the Transaction Documents and the transactions contemplated herein have been duly authorized by Seller, and are binding and enforceable against Seller in accordance with their respective terms (except as enforceability may be limited by Law).

4.1.3 Except as disclosed herein, no consents of any kind are required for Seller to execute, deliver and perform its obligations under this Agreement and consummate the Sale.

4.1.4 Seller is a "United States person" (as defined in Section 7701(a)(30)(B) or (C) of the Internal Revenue Code of 1986, as amended (the "**Code**") for the purposes of the provisions of Section 1445(a) of the Code.

4.1.5 Seller acknowledges and agrees that it will cooperate with Buyer in obtaining any requisite approvals and/or in overcoming any objections of any Governmental Authorities, as such approvals may be required under this Agreement.

4.2 **Additional Covenants.** From and after the Effective Date until the Closing Date, without Buyer's prior written consent (which consent will not be unreasonably withheld, conditioned or delayed), Seller will refrain from: (a) entering into any contract or agreement of any kind to sell or dispose of the entire Property, or otherwise solicit or accept from any individual(s) or entity or other Person any offers to purchase the entire Property, except as contemplated by this Agreement; (b) encumbering title to the Property with any liens or encumbrances (except to the extent that any required property taxes may continue to accrue with respect to the Property prior to the Closing, which items will be prorated as of the Closing Date in accordance with this Agreement), other than with Permitted Exceptions; and (c) entering into any other new contract affecting the Property, which will survive the Closing for more than sixty (60) days after the Closing or is otherwise terminable on not more than 60 days' notice.

ARTICLE 5

BUYER'S REPRESENTATIONS, WARRANTIES AND COVENANTS

5.1 Buyer's Representations and Warranties.

5.1.1 Buyer is a _____ in good standing under the laws of its jurisdiction of organization, and has all requisite power and authority to own and operate its real property and to carry on its business as now being conducted.

5.1.2 Buyer has authority to execute this Agreement and the Transaction Documents. This Agreement and the consummation of the transactions contemplated herein have been authorized by all necessary company action on the part of Buyer and any required Affiliate, and are and will be, valid, binding and enforceable against Buyer in accordance with their respective terms (except as enforceability may be limited by Law).

5.1.3 Except as disclosed herein, no consents of any kind are required for Buyer to execute, deliver or perform its obligations under this Agreement or any Transaction Document.

5.1.4 There are no litigation, demands or claims of any kind pending, or to the knowledge of Buyer, threatened, which would reasonably be expected to have a Material Adverse Effect on Buyer's ability to consummate the Sale, including without limitation, disputes with any Governmental Authority.

5.2 Additional Covenants and Acknowledgements.

5.2.1 Buyer acknowledges and agrees that it is relying solely on Buyer's inspections of the Property in consummating the Sale, and that no representations or warranties whatsoever have been made by Seller, or by any Person, firm, or agent acting or purporting to act on behalf of Seller, including but not limited to, with respect to: (a) the value, expense of operation or income potential of the Property; (b) the accuracy or completeness of any title, survey, engineering, environmental, zoning, appraisal, or other confidential information provided to Buyer relative to the Property; or (c) any other fact or condition which has or might affect the Property or the use, operation, development, value, or expense of operation thereof.

5.2.2 Buyer acknowledges and agrees that Seller relied on the information and documentation Buyer provided, or caused to be provided, to Seller in selecting Buyer as the purchaser of the Property, and that any misrepresentation with respect to, or material change in, such information or documentation will be deemed an event of default by Buyer hereunder. Buyer will promptly notify Seller in writing of any change in the information provided by Buyer to Seller in connection with this provision.

5.2.3 Buyer hereby acknowledges that, in connection with the sale of the Property and in reliance on information provided by Buyer, Seller has determined that Buyer's proposed use of the Property will be a productive and beneficial use based on the Sales Criteria, as defined in the Letter of Intent between Seller and Buyer dated _____ (the "**LOI**"). Accordingly, to induce Seller to enter into this Agreement, Buyer hereby: (a) represents and warrants that all information and documentation Buyer has provided, or caused to be provided, to or for the benefit of, Seller to assess whether or not Buyer's proposal for the Sale satisfies the Sales Criteria, including without limitation, the information included in, or provided with, the LOI with respect

thereto, is true, correct and complete in all material respects as of both the Effective Date and the Closing Date, and acknowledges and agrees that any misrepresentation with respect to, or material change in (other than changes to the Development Agreement, defined in Section 7.2.5, below, between Buyer and the Town/City of _____ or County of _____ prior to the Closing, which changes must be approved in writing by Seller, such approval not to be unreasonably withheld, conditioned or delayed), any such information or documentation will be deemed a Buyer Default, without further notice or act; (b) acknowledges that Seller and all relevant Governmental Authorities have relied upon such information and documentation in entering into, or not objecting to, as appropriate, this Agreement; and (c) agrees to promptly notify Seller of any change in, to or affecting such information or documentation, or its truth, accuracy or completeness.

5.2.4 The issuance of the Title Policy will be in lieu of any express or implied warranty of Seller concerning title to the Property, whether made herein or in the Deed or in any other document delivered at or in connection with the Closing. Purchaser acknowledges and agrees that, from and after the Closing Date, its only remedy for damages incurred by reason of any defect in title to the Property will be against the issuer of the Title Policy.

5.2.5 Buyer acknowledges and agrees that it will cooperate with Seller in obtaining any requisite approvals and/or in overcoming any objections of any Governmental Authorities, as such approvals may be required under this Agreement.

5.2.6 The provisions of this Article will survive the expiration or earlier termination of this Agreement and any Closing, and will not be merged into the Transaction Documents.

ARTICLE 6

CLOSING

6.1 Closing.

6.1.1 Except as otherwise provided herein or subsequently modified in writing by the Parties, the Sale shall close (the "**Closing**") at 11:00 am (Detroit time) on the date thirty (30) days after the expiration of the Inspection Period, subject to the terms and conditions hereof (the "**Closing Date**"), and, at Seller's election, at the offices of Seller, its attorneys or Title Company, or by overnight delivery of all required documents, including escrow closing instructions, to Title Company.

6.1.2 At Closing, Seller shall convey fee simple title to the Property, free and clear of all liens and encumbrances of any kind other than Permitted Exceptions, by quit claim deed (the "**Deed**") substantially in the form attached hereto as **Exhibit C**, with such changes in form only as are required by the State.

6.1.3 On the Closing Date, Buyer will pay the balance of the Purchase Price by wire transfer to the account designated by Seller, unless otherwise directed by Seller at least three (3) Business Days prior to the Closing Date.

6.2 Closing Conditions. The respective obligations of the Parties to consummate the Closing are subject to the satisfaction of the following conditions (the "**Closing Conditions**"):

6.2.1 The obligations of Seller to consummate the sale are conditioned upon the satisfaction of the following Closing Conditions: (a) the representations and warranties of Buyer made in this Agreement, and any other Transaction Document delivered pursuant hereto, are true, correct and complete when made and as of the Closing Date; (b) the unconditional delivery of Buyer's Closing Deliveries, including without limitation the payment of the Purchase Price; and (c) receipt by Seller of the release of the Treasury Lien; and (d) Seller issuance under Paragraph 64 of the Settlement Agreement of written notice to the United States, the State, and affected community(ies) where the Property is located, at least thirty (30) days prior to the Closing, of Seller's intent to sell the Property to Buyer.

6.2.2 The obligations of Buyer are conditioned upon the satisfaction of following Closing Conditions: (a) the unconditional delivery of Seller's Closing Deliveries; (b) the delivery of fee simple title to the Property, subject to no liens other than the Permitted Exceptions, and those items which Seller has elected to cause to be omitted or insured over at or prior to Closing in accordance with this Agreement; and (c) Buyer having received final site plan approval from the Town/City of _____ or County of _____ and any other appropriate Governmental Authority for Buyer's redevelopment of the Property.

ARTICLE 7

CLOSING AND POSSESSION

7.1 Seller's Closing Deliveries. On or prior to the Closing Date, Seller will execute and deliver, or cause to be executed and delivered, (collectively, "**Seller's Closing Deliveries**"):

7.1.1 the Deed;

7.1.2 all real property transfer tax returns and other forms required by Law to be completed or signed by Seller to transfer the Property as required under this Agreement and record the Deed;

7.1.3 the Environmental Easement Agreement between the Trust and Buyer in the form attached hereto as **Exhibit D** (the "**Environmental Easement Agreement**" or "**EEA**"), the Restrictive Covenant or other similar documents in the form attached thereto as **Exhibit E** (the "**Restrictive Covenant**" or "**RC**"), and all other Transaction Documents to which it is a party;

7.1.4 a Non-foreign Transferor Affidavit pursuant to Section 1445 of the Code;

7.1.5 a HUD-1 Settlement Statement or similar closing statement (the "**Closing Statement**") to Buyer and Title Company, and such other documents and affidavits as are reasonably requested by Title Company, to issue the Title Policy consistent with this Agreement.

7.2 Buyer's Closing Deliveries. At Closing, Buyer will execute and/or deliver, as applicable (collectively, "**Buyer's Closing Deliveries**"):

7.2.1 the balance of the Purchase Price, after deducting the unapplied portion of the Deposit, and subject to the credits and adjustments required by this

Agreement (to be shown on the Closing Statement executed by Buyer, Seller and Title Company);

7.2.2 all real property transfer tax returns and other forms required by Law be completed or signed by Buyer to transfer the Property and record the Deed;

7.2.3 the Environmental Easement Agreement and all other Transaction Documents to which it is a party;

7.2.4 evidence of the valid existence and good standing of Buyer in the state in which Buyer is organized, along with the consent of its principals authorizing the Sale;

7.2.5 the fully-executed Development Agreements between Buyer and the Town/City of _____ or County of _____ which shall be consistent with the terms of the LOI and the Sales Criteria set forth therein and include at a minimum a statement of the Buyer's Intended Use, the amount and timing of Buyer's intended investment in the Property, and the Buyer's projected amount and timing of jobs to be created through Buyer's Intended Use of the Property; and which Development Agreement shall be reviewed and approved by Seller (in its reasonable discretion) prior to execution by the Buyer (and if applicable, Seller) and the relevant local Governmental Authority for the redevelopment of the Property (the "**Development Agreement**"); and

7.2.5.1 Job Creation/Investment: Buyer agrees to cooperate with Seller post-Closing in documenting the amount of Buyer's investment in and jobs created at the Property brought about through the approved Development Agreement or through related means; and

7.2.6 evidence that Buyer has secured all necessary approvals/permits from the Town/City of _____, County of _____, and State, and any other Governmental Authority having jurisdiction over the Property for the Buyer's Intended Use for redevelopment of the Property that can be obtained prior to closing, including evidence that the Town/City has approved the site plan attached hereto as **Exhibit F**; and

7.2.7 the Closing Statement to Seller and Title Company, and such other documents and affidavits as are reasonably requested by Title Company, to issue the Title Policy consistent with this Agreement.

7.3 Tax Prorations. Except as otherwise provided herein, all real property taxes of any kind customarily adjusted upon the sale of a property similar to the Property will be prorated and adjusted on the due date basis, paid in advance, with Buyer being responsible for all such taxes allocable to the period commencing from and after 12:01 am (Detroit time) of the Closing Date, and Seller being responsible for all such taxes allocable to the period prior to and including 11:59 pm (Detroit time) of the day before the Closing Date, in each case regardless of when such taxes are actually due and payable without penalty or interest.

7.4 Other Prorations.

7.4.1 Any other expense items customarily adjusted upon the sale of property similar to the Property will be adjusted between Seller and Buyer as of the Closing Date in accordance with local custom; provided, however, Seller will have no responsibility for title insurance premiums or survey costs.

7.4.2 Buyer and Seller agree that the Title Company will be the "reporting person" relative to the transaction contemplated herein for purposes of Section 6045(e) of the Code.

7.5 Expenses.

7.5.1 Seller will be responsible for the cost of preparing the Deed.

7.5.2 Buyer will be responsible for the costs of the Title Commitment and Title Policy, Survey and conducting its due diligence investigation. All transfer taxes associated with the recordation of the Deed, if any, including without limitation, transfer and recordation taxes and documentary stamps, will be paid by Buyer at Closing or, if assessed at any time thereafter, will be paid promptly by Buyer following such assessment.

7.5.3 Each Party will pay its own attorneys', brokers', and consultants' fees. Buyer and Seller agree to provide each other reasonable assistance in the preparation and filing of any and all required transfer tax returns for or with respect to such transfer taxes with any and all appropriate taxing authorities.

ARTICLE 8

SPECIAL PROVISIONS

8.1 Environmental.

8.1.1 Except as otherwise provided for in this Agreement or the Environmental Easement Agreement, Buyer hereby **forever waives, and releases, relinquishes, acquits, and forever discharges** Seller and the Trust (collectively, "RACER"), their Affiliates and each of their respective members, partners, venturers, stockholders, directors, managers, officers, employees, spouses, agents, legal representatives, successors and assigns (collectively, "Seller's Representatives") from and against any and all liabilities, duties and obligations of any kind for any Environmental Actions or other remediation or other work by the Trust, whether required or recommended for the Property by any Governmental Authority, to the extent it is not allowed for, or cannot be funded, under the Settlement Agreement. **Notwithstanding the foregoing, or anything to the contrary set forth elsewhere in this Agreement or any Transaction Document, RACER will have no responsibility or liability whatsoever with respect to any Pre-Existing Environmental Condition, or any other Environmental Condition which may hereafter exist, at, above, or below the surface of the Property, including without limitation, in any improvements and any and all discarded materials located on or at the surface of the Property, building materials from demolition activities; domestic and industrial trash; tires; automotive parts; used containers which held materials such as paint, antifreeze, gasoline, and other household substances; materials painted with lead-based paints or otherwise; wood, and other materials which may have been painted with lead-based paints; roof shingles and other building materials which may contain asbestos-containing materials, except to the extent otherwise provided in, and subject to, this Agreement or the Environmental Easement Agreement.**

8.1.2 Buyer and Seller will work cooperatively with the Trust to prepare a Remediation and Redevelopment Coordination Plan reasonably acceptable to Buyer and Seller ("RRCP"). The RRCP will establish the working dynamics between Buyer, Seller, and

the Trust as well as the process for coordinating remediation work and redevelopment activities after the expiration of the Inspection Period and after Closing.

8.1.3 [IF APPLICABLE AS DETERMINED BY SELLER: Buyer acknowledges that the Property is subject to a Resource Conservation and Recovery Act ("RCRA") Corrective Action and that it will comply with the applicable RCRA-related notice requirements of Mich. Admin. Code R. 299.9525, or, if the Property is not located in Michigan, then equivalent State law or regulation.]

8.2 Restrictions. Buyer hereby acknowledges that Seller may have previously recorded or will record, prior to Closing, a Restrictive Covenant, or may record, prior to Closing, an Amended Restrictive Covenant, as to the Property (as form of which is attached as **Exhibit E**) with the register of deeds or appropriate land records office of the County of _____ . Seller reserves the right to modify such Restrictive Covenant or Amended Restrictive Covenant prior to the expiration of the Inspection Period, or otherwise in accordance with the FEA.

8.3 Survival. The provisions of this Article and the Parties' respective obligations hereunder will survive the expiration or sooner termination of this Agreement and any Closing, and will not be merged into the Transaction Documents.

ARTICLE 9

CASUALTY OR CONDEMNATION AFFECTING THE PROPERTY

9.1 Casualty. If, between the Effective Date and the Closing Date, the Property is damaged by fire, flood, earthquake, hurricane, tornado, Act of God, or any other cause or means ("**Casualty**"), the following will apply:

9.1.1 Except as otherwise expressly provided in this Agreement, the risk of loss to the Property by such Casualty is assumed by Seller until the Closing Date, but without any obligation of Seller to repair or restore the Property, except to the extent such Casualty arises from the gross negligence or willful misconduct of Seller or any of Seller's Representatives. Seller will notify Buyer of Seller's determination on whether or not it will repair or restore the Property within one hundred eighty (180) days from the date of such Casualty, subject to Force Majeure (as defined in Section 11.4 below) and delays caused by Buyer or Buyer's Representatives. If Seller elects to repair or restore the Property, this Agreement will continue in full force and effect, and Buyer will not have the right to reject title or receive a credit against, or abatement in, the Purchase Price, so long as Seller completes the repair or restoration within a reasonable period of time. Any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss, will belong entirely to Seller, and if such proceeds are paid to Buyer, Buyer will promptly upon receipt thereof turn them over to Seller.

9.1.2 If Seller notifies Buyer that it does not elect to repair or restore the Property as set forth above, then this Agreement will automatically be deemed terminated and of no further force and effect, and Seller will return, or direct the Title Company to return, to Buyer the Deposit (unless the Casualty was caused by or related to the gross negligence, willful misconduct or presence on the Property, of Buyer or any Buyer Representative, in which case this Agreement will remain in full force and effect, without any credit against, or abatement in, the Purchase Price) and neither Party hereto will have any further rights, obligations or liability to or against the other hereunder, except as otherwise provided herein to survive such termination.

9.2 Condemnation. If, between the Effective Date and the Closing Date, the Property is affected by: (a) the exercise of any governmental power, whether by condemnation, eminent domain, other legal proceedings or otherwise by any Governmental Authority or private corporation or individual having the power of condemnation or eminent domain under applicable Law ("**Condemnor**"); and (b) a voluntary sale or transfer by Seller to any Condemnor, either under threat of condemnation or eminent domain or while legal proceedings for condemnation or eminent domain are pending ("**Condemnation**"), and such Condemnation is for:

9.2.1 All or substantially all of the Property, then this Agreement will terminate and be no further force or effect as of the date of such Condemnation.

9.2.2 A portion of the Property, and the removal of such portion from the Property would reasonably be considered to have a Material Adverse Effect on the Intended Use, then this Agreement will remain in full force and effect and: (a) Seller will be entitled to the entirety of any compensation awarded for such Condemnation (an "**Award**"); and (b) the Purchase Price will be reduced by the amount of such Award, less Seller's costs incurred in connection therewith.

9.2.3 A portion of the Property, and the removal of such portion from the Property would not reasonably be considered to have a Material Adverse Effect on the Intended Use, then this Agreement will remain in full force and effect and: (a) Seller will be entitled to the full amount of the Purchase Price; and (b) Buyer will be entitled to receive all of the Award, and Seller agrees that it will not make any adjustment or settlement of any such Condemnation proceeding without Buyer's consent and will take at Closing all action necessary to assign its entire interest in the Award to Buyer.

9.3 Survival. The provisions of this Article and the Parties' respective obligations hereunder will survive the expiration or sooner termination of this Agreement and any Closing, and will not be merged into the Transaction Documents.

ARTICLE 10

INDEMNIFICATION

10.1 Buyer Indemnification. Buyer shall defend, indemnify, pay, save, and, hold Seller, its Affiliates, and the Seller Representatives (the "**Seller Indemnified Parties**") harmless from and against any and all claims, liabilities, demands, fines, costs and expenses, including, without limitation, reasonable attorneys' fees and costs ("**Claims**") imposed upon, or incurred by or on behalf of such Seller Indemnified Parties, or the Property, arising from or related to: (a) any breach or default by Buyer under this Agreement including all expenses incurred in connection with the exercise by Seller of any remedy to which it is entitled hereunder; (b) any Release, no matter how caused (other than as a result of Environmental Actions of Seller, the Trust, or Seller's Representative's), to the extent the Release occurred after the Closing Date; (c) any Pre-Existing Environmental Conditions exacerbated by Buyer; (d) anything necessary to protect Seller's interest under this Agreement in any proceeding (whether voluntary or involuntary) pursuant to Title 11 of the United States Code, as amended and/or supplemented from time to time, together with any similar Law relating to bankruptcy, insolvency, reorganization, restructuring, winding up or composition or adjustment of a Person's debts; or (e) the presence of Buyer or any Buyer Representative thereof on the Property prior to the Closing Date, or any other act or omission of Buyer, or any Buyer Representatives. Notwithstanding anything set forth above

in this Section, Buyer will not be liable for, or be obligated to defend, indemnify, pay, save and hold such Seller Indemnified Parties harmless from and against any Claims to the extent resulting from: (i) any Seller's Default or the gross negligence or willful misconduct of any of its Indemnified Parties; or (ii) any Environmental Action of Seller, the Trust or Seller's Representatives. [MICHIGAN ONLY: Except as otherwise provided in this Agreement, the Environmental Easement Agreement, or any of the other Transaction Documents, nothing herein will be construed as an agreement by Buyer to indemnify, defend or hold Seller harmless from liabilities related to Pre-existing Environmental Condition for which Buyer is otherwise not liable under Michigan law as a result of having conducted and filed a written report prepared in accordance with Parts 201 and/or 213 of Michigan's NREPA (as defined below), and the regulations promulgated thereunder, that confirms that the Property is a "facility" and/or a "site" as those terms are defined under Michigan law ("Baseline Environmental Assessment" or "BEA").]

10.2 Costs and Fees. If a Seller Indemnified Party shall, without fault, be made a party to any Claim commenced by or against Buyer, or if a Seller Indemnified Party shall, in its reasonable discretion, determine that it must intervene in such Claim to protect its interest hereunder, Buyer shall defend such Seller Indemnified Party using attorneys reasonably satisfactory to such Seller Indemnified Party, and shall pay all liabilities, costs and expenses incurred by the Seller Indemnified Party in connection with such Claim. A Seller Indemnified Party shall have the right to engage its own attorneys in connection with any of the provisions of this Section or any of the provisions of this Agreement, including, but not limited to, any defense of or intervention by Buyer, notwithstanding any contrary provisions of applicable Laws, and all attorneys' fees and costs shall be included in the amounts to be paid by Buyer.

10.3 Seller Indemnification. Buyer acknowledges that Seller will not defend, indemnify, pay, save or hold Seller Indemnified Parties harmless, except for the limited indemnities set forth in Sections 14.7 and 14.12, below.

10.4 Survival. The provisions of this Article and the Parties' respective obligation hereunder will survive the expiration or sooner termination of this Agreement and any Closing, and will not be merged into any Transaction Document.

ARTICLE 11

DEFAULT AND TERMINATION

11.1 Buyer's Events of Default. The occurrence of any of the following events and breaches of its obligations (each a "**Buyer's Default**") will constitute a default by Buyer under this Agreement:

11.1.1 Failure by Buyer to consummate the Closing on the Closing Date, if Buyer's Closing Conditions have been satisfied or waived, if such failure is not cured within ten (10) days after delivery by or on behalf of Seller of written notice of such failure.

11.1.2 Failure of Buyer to comply with any other provision of this Agreement, if such failure is not cured within twenty (20) days after delivery by or on behalf of Seller of written notice of such failure, unless any provision of this Agreement provides for a shorter or no time period for cure, and except in cases of an emergency.

11.1.3 The breach by Buyer of any representation, warranty or covenant when made or on the Closing Date.

11.2 Seller's Remedies. If a Buyer Default occurs, then Seller's sole and exclusive remedy for such Buyer's Default will be to terminate this Agreement, so that it is of no further force and effect and retain the Deposit, including all Extension Fees, as liquidated damages, it being acknowledged and agreed that it is extremely difficult and impracticable to ascertain the extent of detriment to Seller caused by the breach by Buyer under this Agreement, and the failure of the consummation of the Sale contemplated by this Agreement, or the amount of compensation Seller should receive as a result of Buyer's breach or default. Upon termination of this Agreement pursuant to this Section, Seller may sell the Property to any third party as though this Agreement had never been made (without any obligation to account to Buyer for any part of the proceeds of such sale). No delay or omission by Seller to exercise any such right, power and remedy, will impair, limit or vitiate such right, power or remedy.

11.3 Seller's Default and Remedies of Buyer. If Seller does not convey the Property to Buyer as, if and when required to do so by this Agreement, following satisfaction of all Closing Conditions ("**Seller's Default**"), then **BUYER'S SOLE AND EXCLUSIVE REMEDY FOR SUCH SELLER'S DEFAULT SHALL BE THE RETURN OF THE DEPOSIT (INCLUDING ANY EXTENSION FEES)**. Buyer will not have the right to sue Seller for specific performance to compel Seller to convey the Property to Buyer in accordance with this Agreement.

11.4 Force Majeure. Anything to the contrary contained in this Agreement notwithstanding, neither Party will be deemed to be in default of any of its obligations hereunder if it will be prevented from or delayed in performing such obligation by reason of any: act of God; act of war; act of terrorism; civil commotion; governmental embargo or moratorium; Casualty; labor dispute not within the direct control of Buyer; unavailability or shortages of labor, materials or equipment which would not reasonably be foreseeable, enactment of any new Law after the Effective Date; or any other cause or event which would not be reasonably foreseeable or is beyond a Person's reasonable ability to control (except financial inability) ("**Force Majeure**") and such Party's time for such performance will be extended by the number of days during which any condition of Force Majeure prevails, so long as notice by the Party claiming such extension is given to the other Party within three (3) Business Days of notice thereof.

11.5 Waiver. No waiver by either Seller or Buyer of any breach by the other of any one or more of the terms, covenants, conditions or agreements of this Agreement will be deemed to imply or constitute a waiver of any succeeding or other breach. Failure of either Seller or Buyer to insist upon the strict performance of any of the terms, conditions, covenants and agreements of this Agreement will not constitute or be considered as a waiver or relinquishment of such Party's rights to subsequently enforce any default, term, condition, covenant or agreement, which will all continue in full force and effect.

11.6 General Effect of Termination. Whenever in this Agreement provision is made that either Party will have the right to terminate this Agreement, then unless in such provision it is expressly provided otherwise (including, without limitation, as is provided in this Section), this Agreement will terminate on the date set forth in the operative termination notice delivered in accordance with the terms hereof, whereupon, the Parties will be released and relieved from, and neither Party hereto will thereafter have against the other, any further Claim or liability under this Agreement or on account of the termination hereof, except for those accruing prior to the effective date of such termination, and those expressly stated in this Agreement to survive the expiration or termination of this Agreement.

ARTICLE 12

NOTICES

All notices, requests, consents or demands herein provided to be given or made, or which may be given or made by either Party to the other hereunder (collectively, the "**Notices**"), will be given or made only in writing and will be deemed to have been duly given: (a) when delivered personally at the address set forth below, or if delivery is rejected when delivery was attempted; (b) on the 1st Business Day after the date sent when sent *via* reputable overnight courier, properly addressed, prepaid and delivered to such courier's office during its business hours, otherwise, it will be effective the next Business Day; or (c) on the date sent via facsimile or electronic mail transmission, if sent prior to 5:30 pm (Detroit time) on a Business Day, and if a hard copy is deposited either with an overnight courier for next Business Day delivery, or in the United States mail within twenty-four (24) hours after the facsimile or electronic mail is transmitted. The attorneys for either Party may, but will not be required to, deliver any notice pursuant to this Agreement on behalf of their respective clients.

If to Seller:

Ex. 6 - Personal Privacy

With a copy to:

Ex. 6 - Personal Privacy

And a copy to:

Ex. 6 - Personal Privacy

If to Buyer:

Facsimile: _____
Email: _____

With a copy to:

Attn: _____
Facsimile: _____
Email: _____

ARTICLE 13

LEGAL PROCEEDINGS

EACH OF SELLER AND BUYER HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE, TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAWS, THE RIGHT EITHER OF THEM OR THEIR AFFILIATES, SUCCESSORS OR ASSIGNS MAY HAVE TO A TRIAL BY JURY IN RESPECT TO ANY CLAIM ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT OR ANY TRANSACTION DOCUMENT. THIS PROVISION IS A MATERIAL INDUCEMENT TO SELLER ACCEPTING THIS AGREEMENT.

ARTICLE 14

GENERAL PROVISIONS

14.1 Interpretation. The use of: (a) the neuter gender includes the masculine and feminine; and (b) the singular number includes the plural, whenever the context requires.

14.2 Captions and Headings. Captions and headings in this Agreement are inserted for the convenience of reference only and do not define, describe or limit the scope or the intent of this Agreement or any of its terms.

14.3 Exhibits. All attached Exhibits are a part of this Agreement and are incorporated in full by this reference. Except as specifically provided herein, if any provision contained in any Exhibit hereto is inconsistent or in conflict with any provisions of this Agreement, the provisions of this Agreement will supersede and control the provisions of such Exhibit.

14.4 Entire Agreement. This Agreement contains the entire agreement between the Parties relating to this Agreement and the transactions contemplated hereby and all prior or contemporaneous agreements, understandings, representations, warranties and statements, oral or written, are expressly superseded by this Agreement, and, except for Paragraph II.F of the LOI, the LOI is merged herein. This Agreement may not be modified, waived, amended, discharged or changed, nor may any of its terms be waived, except by an instrument in writing signed by the Party to be bound thereby. Any modification, waiver, amendment, discharge or change of this Agreement which is not in writing and signed by the Party against which the enforcement thereof is or may be sought will be deemed null and void and of no force and effect *ab initio*.

14.5 Drafting. This Agreement will not be construed more strictly against one Party than the other because it may have been drafted by one of the Parties or its counsel, each having contributed substantially and materially to the negotiation and drafting hereof.

14.6 Governing Law, Jurisdiction and Venue. The Laws of the State will govern the validity, construction, enforcement and interpretation of this Agreement; provided, however, that the United States Bankruptcy Court for the Southern District of New York will retain jurisdiction over any and all disputes arising under, or otherwise relating, to the construction and enforcement of the Settlement Agreement, and the transactions contemplated thereunder and governed thereby. Each Party hereby consents to the jurisdiction and venue of any Federal District Court and State Courts located in the Town/City or County in which the Property is located, and waives personal service of any and all process upon it, consents to service of process by registered mail directed to each Party at the address for notices

herein, and acknowledges that service so made will be deemed to be completed upon actual delivery thereof (whether accepted or refused).

14.7 Attorneys' Fees. With respect to any provision in this Agreement providing for payment or indemnification of attorneys' fees, such fees will be reasonable and will be deemed to include reasonable fees incurred through any applicable appeal process, and will include reasonable fees attributable to legal services provided by any general in-house counsel and staff to the prevailing or Indemnified Party.

14.8 Time of Essence. Time is of the essence of every provision of this Agreement.

14.9 Severability. This Agreement will be construed as though the covenants herein between Seller and Buyer are independent and not dependent, and Buyer hereby expressly waives the benefit of any statute to the contrary. Accordingly, if any term, covenant, condition or provision of this Agreement is held to be invalid, void or otherwise unenforceable by any court of competent jurisdiction, it will in no way affect the validity or enforceability of any other term, covenant, condition or provision of this Agreement.

14.10 Successors and Assigns. This Agreement will inure to the benefit of and be binding upon, and enforceable by, the respective successors and assigns of the parties hereto. Notwithstanding the foregoing, Buyer will not assign its rights or delegate its obligations hereunder, without Seller's prior written consent, which consent will be granted or withheld in Seller's sole and absolute discretion, without regard to reasonableness; provided, however, Buyer may assign this Agreement to Affiliate without Seller's consent on condition that: (a) Buyer provides Seller with notice thereof at least five (5) Business Days in advance thereof; (b) such Affiliate expressly assumes in writing the obligations and liabilities of "Buyer" under this Agreement, a copy of which assumption is provided to Seller; and (c) Buyer and such Affiliate will remain jointly and severally liable and responsible for the obligations of "Buyer" under this Agreement. **The provisions of this Section and the Parties' respective obligations hereunder will survive the expiration or earlier termination of this Agreement and any Closing, and will not be merged into any Transaction Document.**

14.11 Specially Designated Nationals and Blocked Persons

14.11.1 Buyer represents and warrants to Seller that: (a) Buyer and each Person owning an interest in Buyer is (i) not currently identified on the Specially Designated Nationals and Blocked Persons List maintained by the Office of Foreign Assets Control of the Department of the Treasury ("OFAC") and/or on any other similar list maintained by OFAC pursuant to any authorizing Law, and (ii) not currently a Person with whom a citizen of the United States is prohibited to engage in transactions by any trade embargo, economic sanction, or other prohibition of United States Law; (b) none of the funds or assets of Buyer constitute property of, or are beneficially owned, directly or indirectly, by any Embargoed Person; (c) no Embargoed Person has any interest of any nature whatsoever in Buyer (whether directly or indirectly); (d) none of the funds of Buyer have been derived from any unlawful activity with the result that the investment in Buyer is prohibited by Law or that this Agreement is in violation of Law; and (e) Buyer has implemented procedures, and will consistently apply those procedures, to ensure the foregoing representations and warranties remain true and correct at all times.

14.11.2 Buyer will: (a) comply with all requirements of Law relating to money laundering, anti-terrorism, trade embargos and economic sanctions, now or hereafter in effect; (b) immediately notify Seller if any of the representations, warranties or

covenants set forth in this Section are no longer true, have been breached or if Buyer has a reasonable basis to believe that they may no longer be true or have been breached; (c) not to use funds from any Prohibited Person to make any payment due to Seller under this Agreement; and (d) at the request of Seller, provide such information as may be requested by Seller to determine Buyer's compliance with the terms hereof.

14.12 Brokerage. Each of Seller and Buyer represents and warrants to the other that it is not represented by any broker in this transaction. Each Party will indemnify, defend, and hold the other Party harmless from and against any Claim by any broker, agent, or other Person claiming a commission or other form of compensation by virtue of having dealt with Buyer or Seller, respectively, with regard to this Agreement. **The provisions of this Section and the respective obligations of the Parties hereunder shall survive the expiration or sooner termination of this Agreement and any Closing, and will not be merged into the Transaction Documents.**

14.13 Relationship of the Parties. This Agreement will not be deemed or construed by the parties, nor by any third party, as creating the relationship of: (a) principal and agent; (b) partnership or other associate relationship; or (c) joint venture between the parties, nor will this Agreement be construed to authorize either to act as agent for the other, except as expressly provided to the contrary in this Agreement.

14.14 No Third Party Beneficiaries. Except as otherwise expressly provided in this Agreement, Seller and Buyer do not intend by any provision of this Agreement to confer any right, remedy, or benefit upon any third party (express or implied), and no third party will be entitled to enforce or otherwise will acquire any right, remedy, or benefit by reason of any provision of this Agreement.

14.15 No Recordation. Except as otherwise provided therein, in no event will this Agreement or any document or other memorandum related to this Agreement or to the subject matter of this Agreement be recorded without the consent of Seller. This provision will survive termination of this Agreement.

14.16 Survival. Unless otherwise expressly provided for in this Agreement, the representations, warranties, covenants, and conditions of the Parties set forth in this Agreement will not survive the expiration or earlier termination of this Agreement, or the Closing and delivery of the Transaction Documents.

14.17 No Offer; Execution. The submission of this Agreement for examination is not intended to nor will it constitute an offer to sell, or a reservation of or option or proposal of any kind for the purchase of the Property. In no event will any draft of this Agreement create any obligation or liability, it being understood that this Agreement will be effective and binding only when a counterpart hereof has been executed and unconditionally delivered by each Party hereto and the Deposit has been delivered to the Title Company.

14.18 Counterparts. This Agreement may be executed in any number of counterparts, each of which will be deemed an original, but all of which together will constitute one and the same enforceable instrument. All Parties to this Agreement need not sign the same counterpart of this Agreement provided that all Parties have signed at least one counterpart of this Agreement. Any signature on a copy of this Agreement or any document necessary or convenient thereto sent by facsimile or electronic mail will be binding upon transmission by facsimile or electronic mail and the facsimile or electronic copy of the scanned signature page may be utilized for the purposes of this Agreement.

14.19 Time. In computing any period of time prescribed by the terms of this Agreement, the day from which the designated period of time begins to run will not be included. The last day of the period so computed will be included unless it is a Saturday, Sunday, or legal holiday (i.e., not a Business Day), in which event the period will run until the next day which is a Business Day. In the event any day on which any act is to be performed by Seller or Buyer under the terms of this Agreement is not a Business Day, the time for the performance by Seller or Buyer of any such act will be extended to the next day which is a Business Day.

ARTICLE 15

DEFINITIONS

The following terms, when used in this Agreement, will have the meaning set forth in this Article.

15.1 " **Affiliate**" means, with respect to any Person, any Person that controls, is controlled by or is under common control with such Person, together with its and their respective partners, venturers, directors, officers, stockholders, agents and employees. A Person will be presumed to have control when it possesses the power, directly or indirectly, to direct, or cause the direction of, the management or policies of another Person, whether through ownership of voting securities, by contract or otherwise.

15.2 " **Business Day**" means any day other than: (a) a Saturday, Sunday, or federal holiday; or (b) a day on which commercial banks in Detroit, Michigan are authorized or required to be closed for all or any portion of the normal business hours of the day.

15.3 " **Embargoed Person**" means any Person or government subject to trade restrictions under United States Law, including without limitation, the International Emergency Economic Powers Act, 50 U.S.C. §1701 *et seq.*, and the Trading with the Enemy Act, 50 U.S.C. App. 1 *et seq.*, with the result that the investment in Buyer is prohibited by Law or Buyer is in violation of Law.

15.4 " **Environmental Action**" means, subject to the terms of the Settlement Agreement, any response, removal, investigation, sampling, remediation, reclamation, closure, post-closure, corrective action, engineering controls, institutional controls, Restrictions, oversight costs, and Operation, Maintenance, and Monitoring activities

authorized or required to be performed by or on behalf of the Trust under the Settlement Agreement or under any Law with respect to the Property.

15.5 “ **Environmental Condition**” means any Release or other event, circumstance and/or condition regulated by Environmental Laws existing at, on, in, under, or about the Property, or the ambient air around the Land.

15.6 “ **Environmental Laws**” means any and all Laws relating to pollution, noise, and/or odor control, wetlands pollution, the protection or restoration of health, safety, or the environment, natural resources, and/or the use, transportation, presence, storage, handling, disposal, discharge, recycling, treatment, generation, processing, labeling, production, release, contamination, or disposal of threatened Release of Hazardous Substance, including, without limitation, the following: (a) the Clean Air Act, 42 U.S.C. Section 7401 *et seq.*; (b) the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901 *et seq.*; (c) the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. Section 9601 *et seq.*; (d) the Federal Water Pollution Control Act, 33 U.S.C. Section 1251 *et seq.*; (e) the Toxic Substances Control Act, 15 U.S.C. Section 2601 *et seq.*; (f) the Safe Drinking Water Act, 42 U.S.C. Section 300f *et seq.*; (g) OSHA, 29 U.S.C. 651 *et seq.*; (h) the Emergency Planning and Community Right to Know Act, 42 U.S.C. Section 11001 *et seq.*; and (i) the Oil Pollution Act of 1990, 33 U.S.C. Section 2701 *et seq.*; as any of the foregoing has been, and may be, amended, supplemented and/or replaced from time to time, as in effect on the Effective Date, and including the analogous Laws of the State and applicable tribal or local Law counterparts, as any of the foregoing has been, and may be, reauthorized, amended, supplemented and/or replaced from time to time.

15.7 “ **Hazardous Substances**” means all materials, substances and wastes, defined, designated, regulated or classified as hazardous, toxic or radioactive under Environmental Laws, whether by type or by quantity, and shall include but not be limited to petroleum or any derivative or by-product thereof and asbestos-containing materials.

15.8 “ **Material Adverse Effect**” means any matter, event or condition which would reasonably be expected to have a significant, negative effect on the Property, or which would otherwise reasonably be expected to have a material adverse effect on a Person’s ability to perform its obligations hereunder or, with respect to Buyer, on Buyer’s ability to develop the Property for Buyer’s Intended Use. By way of example, provided that Buyer promptly commences and diligently pursues the satisfaction of such conditions prior to the expiration of the Inspection Period, the following items will constitute a Material Adverse Effect: (i) failure or refusal of any Governmental Authority to approve the Intended Use, Development Agreements, re-zoning application and/or all or any portion (provided such portion materially and adversely affects the Intended Use) of the site plan attached hereto as **Exhibit F**; and (ii) any lien not known to Buyer or that could not have been determined in the exercise of ordinary course due diligence that materially and adversely affects the Intended Use.

15.9 “ **OMM**” means the operation, monitoring and maintenance activities required under the Settlement Agreement as Environmental Action.

15.10 “ **Person**” refers to an individual, corporation, partnership, limited liability company, association, trust, unincorporated organization or other entity.

15.11 “ **Prohibited Person**” has the meaning set forth in the September 24, 2001 Executive Order Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism.

15.12 “**Release**” means releasing, spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, disposing, transporting or dumping of Hazardous Substances, or as otherwise defined under Environmental Laws, or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Substances.

15.13 “**Restrictions**” means those restrictions, covenants, conditions, reservations, controls (engineering, land use, institutional, and otherwise), easements or rights-of-way, affecting the future use of, access to or activities on the Property, relating to any ongoing Environmental Action at, on, under or about the Property, and otherwise limiting the use and/or development of the Property to the Intended Use or to implement the Settlement Agreement, whether agreed to by the Parties or required by any Governmental Authority.

15.14 “**States**” means collectively, the United States of America (on behalf of the EPA and the Saint Regis Mohawk Tribe), the States of Delaware, Illinois, Indiana, Kansas, Massachusetts, Michigan, Missouri, New Jersey, New York, Ohio, Virginia and Wisconsin, and the Louisiana Department of Environmental Protection and the Department of Environmental Protection of the Commonwealth of Pennsylvania.

15.15 “**Transaction Documents**” means the LOI, the Deed; all real property transfer tax returns and other forms required by Law to be completed or signed by Seller or Buyer to transfer the Property and record the Deed; the EEA; the RC; the Non-foreign Transferor Affidavit pursuant to Section 1445 of the Code; the HUD-1 Settlement Statement or similar closing statement; and any other documents and affidavits as are reasonably requested by Title Company to issue the Title Policy and record the Deed, EEA and RC, consistent with this Agreement.

[The remainder of this page is intentionally left blank; signature page follows.]

Signature page to Purchase and Sale Agreement

IN WITNESS WHEREOF, Seller and Buyer hereby execute this Agreement to be effective as of the Effective Date.

BUYER:

a _____

By: _____
Name:
Title:

Date Signed: _____, 201__

SELLER:

RACER PROPERTIES LLC,
a Delaware limited liability company

By: Revitalizing Auto Communities Environmental
Response Trust, Sole Member of RACER Properties
LLC

By: EPLET, LLC, acting solely in its capacity as
Administrative Trustee of Revitalizing Auto
Communities Environmental Response Trust

By: _____
ELLIOTT P. LAWS, not individually,
but acting solely in his capacity
as Managing Member

Date Signed: _____, 201__

EXHIBIT A

Legal Description of the Property

All those tracts or parcels of land lying and being in the Town/City of _____,
_____ County, State of _____, and being more particularly
described on as follows:

Tax Parcel ID Number(s):

Commonly known as:

EXHIBIT B

FORM OF PRE-CLOSING ACCESS AGREEMENT

PRE-CLOSING ACCESS AGREEMENT

Between

RACER PROPERTIES LLC
a Delaware limited liability company

as Seller

and

a _____

as Buyer

Affecting Property Located at:

Town/City _____

County of _____

State of _____ (**"State"**)

Tax Parcel Identification Number(s):

RACER Reference # _____

PRE-CLOSING ACCESS AGREEMENT

THIS PRE-CLOSING ACCESS AGREEMENT (this "**Agreement**") is made effective as of _____, 201__ (the "**Effective Date**"), by and between **RACER PROPERTIES LLC**, a Delaware limited liability company (hereinafter "**Seller**"), and _____, a _____ (hereinafter "**Buyer**"). Seller and Buyer are collectively referred to herein as the "Parties."

RECITALS

A. Seller and Buyer entered into that certain Purchase and Sale Agreement dated as of even date herewith (the "**PSA**"), for the sale of certain real property having an address at _____/ _____/ _____ and being more particularly described on Exhibit A to the PSA (the "**Property**"). All capitalized terms used herein but not otherwise defined shall have the meanings given to them in the PSA.

B. Buyer desires to enter upon the Property prior to the Closing, for the limited purpose of conducting its Physical Inspection (as that term is defined in the PSA) of the Property (the "**Permitted Use**") and Seller is willing to permit Buyer to enter and use the Property for such Permitted Use on the terms and conditions set forth below.

NOW, THEREFORE, the Parties hereto agree as follows:

ARTICLE 1. LICENSE; TERM.

1.1 For the period commencing on the Effective Date of the PSA to and including the expiration of the Inspection Period (as that term is defined in the PSA) (the "**Term**"), Seller hereby grants to Buyer and its agents, contractors, invitees and employees (the "**Representatives**"), a non-exclusive revocable license and permission to enter upon the Property for the Permitted Use and for no other purpose whatsoever, including without limitation, no Invasive Work (as defined below) except as expressly permitted under this Agreement. Buyer acknowledges that this is a temporary license and that neither Buyer nor any Representative has any rights as an owner or tenant by virtue hereof; and furthermore, that Seller reserves unto itself all rights to the use and occupancy of the Property throughout the Term, subject to this Agreement and the PSA. This Agreement, and the license granted hereunder, shall automatically, and without further notice, expire on the expiration of the Inspection Period (the "**Expiration Date**"), whereupon, this Agreement and the license granted hereunder, and the rights and privileges granted herein, shall be deemed terminated and revoked, and of no further force and effect, except for the obligations specifically stated herein to survive such expiration and revocation.

1.2 On or before the Expiration Date, Buyer shall surrender and vacate the Property in substantially the same or better condition as existed on the Effective Date.

ARTICLE 2. ACCESS.

2.1 Subject to the terms of this Agreement, Buyer shall have the right to enter onto the Property during normal business hours ("**Access**"), for the Permitted Use as contemplated in this Agreement and in accordance with any Remediation and Redevelopment Coordination Plan approved in writing by Seller and Buyer ("**RRCP**"). The Access and the Permitted Use are expressly conditioned upon and limited to the terms and scope of any such RRCP. Buyer shall give Seller reasonable advanced notice, which may be

telephonic, to _____, RACER Trust Cleanup Manager, at _____, of its proposed schedule for such Access and, upon Seller's request, allow Seller's Representative to accompany Buyer on such visits. So long as no Event of Default (as defined below) has occurred, Buyer and Seller shall cooperate in all commercially reasonable respects with each other in facilitating the Permitted Use. Buyer shall use reasonable efforts to avoid interfering with the activities of Seller on the Property, or otherwise interfering with any Environmental Actions.

2.2. Buyer shall not grant or pledge any rights or interests to, or consent to, permit or suffer the access, use, or occupancy by, any Person (other than its Representatives) in or to the Property, or any interest therein.

2.3 Buyer and its Representatives may conduct the Permitted Use, provided however, that any such Representatives must be: (a) covered by Buyer's insurance policy, or otherwise maintain insurance coverage at least comparable to that required of Buyer below, and provide a certificate of insurance as provided below prior to its access to the Property; (b) duly licensed in the State, if required; and (c) comply with this Agreement, as if they are the Buyer. Buyer shall be responsible and liable for all of its Representatives on, at, or about the Property.

2.4 Throughout the Term, Seller and any of its Representatives shall be entitled, at any time and from time to time, to inspect the activities of Buyer on the Property.

ARTICLE 3. COMPLIANCE WITH LAWS AND INSURANCE REQUIREMENTS.

3.1 Prior to entering the Property, Buyer shall: (a) obtain, at its sole cost and expense, all permits and licenses of any kind ("**Permits**") required by all applicable Governmental Authorities for its Physical Inspection, including all tests and assessments of the Property, if any; and (b) furnish to Seller copies of all such Permits.

3.2 Throughout the Term, Buyer shall comply, and cause all of its Representatives to comply, with any and all Laws applicable to the Property and its Permitted Use thereof, and the requirements of any insurance carriers insuring the Property.

ARTICLE 4. SPECIAL NOTICE.

4.1 All persons who enter upon the Property do so at their own risk, and shall comply with the terms hereof, and any and all instructions and directions of Seller.

4.2 Seller shall have no duty to inspect the Property, or warn any person of any latent or patent defect, condition or risk that may exist in, on, at, about or under the Property or that might be incurred in the exercise of the rights granted herein.

ARTICLE 5. CONDITION OF PROPERTY.

5.1 Seller makes no representations, warranties, promises, covenants, agreements or guarantees of any kind, nature, or character whatsoever, whether express or implied; oral or written; past, present or future, with respect to the Property or any portion thereof or interest therein, except to the extent expressly set forth in the PSA. Buyer hereby accepts the Property in its "AS IS, WHERE IS, WITH ALL FAULTS" condition, and agrees that Seller has no obligation to perform any work at or to the Property to prepare it for Buyer's Permitted Use.

5.2 Buyer acknowledges and agrees that Seller has no obligation whatsoever to provide any utilities to at the Property, or for or on behalf of Buyer, during the Term.

ARTICLE 6. USE OF THE PROPERTY.

Throughout the Term, Buyer shall:

6.1 Repair and restore any damage to the Property arising from, related to or caused by the presence on, at or about the Property of Buyer or any Responsible Party thereof, to a condition comparable to or better than that existing as of the date hereof.

6.2 Not exacerbate, disturb, disrupt, impair or unreasonably interfere with, any Environmental Actions.

6.3 Observe, and cause to be observed, strict fire and smoking precautions, including prohibiting the lighting of fires on the Property; and prohibit the use of all firearms and intoxicating liquor on the Property.

ARTICLE 7. PERMITTED INVASIVE ACTIVITIES.

7.1 Buyer and its Representatives shall be permitted to conduct any physically intrusive work, installations or alterations, or otherwise penetrating the ground surface of the Property, including without limitation, excavation, scraping, digging, trenching, tunneling, boring, drilling, sampling, moving, disturbing or removing any portion of the Property or otherwise affecting the Property ("**Invasive Work**") at the Property, pursuant to any approved RRCP, to the extent that:

(a) Buyer has completed an ASTM Phase I environmental site assessment of the Property in a manner and by a consultant that is approved by Seller (the "**Phase I Assessment**"), such Phase I Assessment satisfies all requirements of Law and the ASTM standards for a Phase I environmental assessment, and the Phase I Assessment identifies any conditions indicative of an actual or threatened Release that are used as the basis to focus the Invasive Work, or

(b) such Invasive Work is required by Environmental Laws (e.g., preparing a Baseline Environmental Assessment or similar document or to take advantage of a statutory defense to liability), including but not limited to an enforceable order, directive, or demand or specific request of any State or any other governmental agency or authority having jurisdiction over the Real Property, or

(c) the Invasive Work is necessary to allow Buyer to secure environmental insurance for the Property.

Such Invasive Work shall comply with all applicable Environmental Laws, and shall not disturb or exacerbate any Pre-existing Environmental Condition or interfere with any Environmental Action. Seller shall have the right to review and approve Buyer's proposed Invasive Work. Seller's approval of any such Invasive Work shall not be unreasonably conditioned, delayed or denied. Buyer and its Representatives further shall notify Seller in writing and provide its proposed work plan a reasonable period in advance of any proposed Invasive Work regardless of the purpose thereof, and permit Seller to observe such Invasive Work and to take "split samples" if Buyer collects any samples.

ARTICLE 8. LIENS AND CLAIMS.

8.1 Buyer shall not create, suffer or permit to be filed or enforced against the Property, or any part thereof or interest therein, any liens or claims of any kind; and Buyer shall pay or cause to be paid or discharged all of such liens and claims within ten (10) days of the filing thereof.

8.2 In addition to, and not in limitation of, Seller's other rights and remedies under this Agreement, if Buyer fails either to pay or discharge any such lien or claim in accordance with Section 8.1, above, then Seller may, at its option, pay any such lien or claim or settle or discharge any action therefor or satisfy any judgment thereon, and all liabilities incurred by Seller in connection therewith, together with an administrative fee equivalent to fifteen percent (15%) thereof, shall be paid to Seller by Buyer immediately upon written demand, together with interest thereon at the maximum contract rate permitted by Law, from the date incurred or paid until repaid.

ARTICLE 9. INSURANCE.

9.1 Buyer's Liability Coverage. Throughout the Term, Buyer shall, at its sole expense, maintain with a reputable company or companies reasonably acceptable to Seller; (a) a policy or policies of commercial general liability insurance with respect to the Property, including but not limited to owned and non-owned automobile (vehicle) liability, personal injury, blanket contractual, broad form property damage and product/completed operations liability coverage for not less than Three Million Dollars (\$3,000,000) combined single limit bodily injury, death and property damage liability per occurrence, or the current limit of liability carried by Buyer, whichever is greater; and (b) workers' compensation insurance in an amount required by Law. Buyer shall also provide Seller with a waiver of subrogation endorsement from Buyer's insurance carrier with respect to Seller. Buyer's consultant shall maintain in force and effect for the term of this agreement insurance (Pollution Liability Insurance) covering losses caused by pollution conditions that result from the performance of the consultant's work on the Property. The Pollution Liability Insurance shall cover client costs and liabilities attributable to bodily injury; property damage, including loss of use of damaged property or of property that has not been physically injured; cleanup cost; and defense, including costs and expenses incurred in the investigation, defense, or settlement of claims, in an amount of at least Three Million Dollars (\$3,000,000) per loss with an annual aggregate of at least Three Million Dollars (\$3,000,000).

9.2 Seller As Additional Named Insured. Buyer shall provide that the policy or policies of insurance required above shall be primary to any other insurance coverage that may be available, and shall name Seller as additional named insured, as indicated below, and shall apply severally to Seller and Buyer, with the provision that any other insurance carried by Seller shall be noncontributing. Each such policy shall contain a provision that the naming of an additional insured shall not negate any right the additional insured would have had as claimant under the policy if not so named. For purposes of naming Seller as additional named insured, the following provision shall be included within each applicable policy: "It is understood and agreed that coverage afforded by this Policy shall also apply to Racer Properties LLC and the Revitalizing Auto Communities Environmental Response Trust and its Administrative Trustee, and their respective officers, agents, employees and affiliates, as additional insured, but only with respect to legal liability or claims caused by, arising out of or resulting from the acts or omissions of the named insured or of others performing acts on behalf of the named insured."

9.3 Form and Procedures. Any policies or certificates of insurance required under the provisions of this Section must contain an endorsement or provision that not less than thirty (30) days' prior written notice be given to Seller prior to cancellation or reduction of coverage or amount of such policy. A certificate issued by the insurance carrier of each policy of insurance required to be maintained by Buyer, stating the limits and other provisions required hereunder and in a form reasonably acceptable to Seller, shall be delivered to Seller prior to Buyer entering upon the Property for any purpose, and thereafter not later than thirty (30) days prior to the expiration of the term of each such policy. Any policies required hereunder may be made a part of a blanket policy of insurance, so long as such blanket policy contains all of the provisions required herein and does not in any way

reduce the coverage, impair the rights of Seller hereunder or negate the requirements of this Agreement.

9.4 Representatives. Buyer shall cause all of its Representatives entering the Property which are not covered by its insurance policy, to obtain and maintain at least comparable insurance coverage to that required of Buyer above, and to provide to Seller the certificates evidencing such coverage as are required of Buyer above, prior to entering the Property.

ARTICLE 10. CONFIDENTIAL INFORMATION.

10.1 Reports. Buyer shall furnish Seller with copies of any and all of the following, which are prepared, obtained, issued and/or provided to or for the benefit of, Buyer during its Physical Inspection or while otherwise on, at or about the Property, promptly after obtaining same (collectively, the "**Property Information**"): any and all studies, reports, assessments, appraisals, recommendations, conclusions, results, findings, analysis, summaries, surveys, maps and other documentation created or delivered, or information obtained, in connection with such Physical Inspection, or derived therefrom.

10.2 Confidential. Except to the extent otherwise provided in the Confidentiality Agreement, Buyer shall treat all Property Information, including the results of any Invasive Work or permitted sampling, absolutely strictly confidential consistent with the Confidentiality Agreement and PSA. Neither Buyer nor any Responsible Party thereof shall communicate with any Governmental Authority or any other Person, or their respective Representatives, regarding this Agreement (or anything disclosed herein) or the Property, or otherwise disclose, disseminate, discuss or reveal to any such Governmental Authority or other Person, any Property Information (or summary, analysis, or report based thereupon), without the prior written consent of Seller, which may be given or withheld in Seller's absolute discretion, except: as required by Law; [MICHIGAN ONLY: to the extent required under Parts 201 and 213 of NREPA, MCL 324.20101 *et seq.* and MCL 324.21301a *et seq.*]; to the extent such Property Information is in the public domain;] or is otherwise permitted under the Confidentiality Agreement.

(a) In granting Buyer and its Representatives access to the Property, Seller has not waived any privilege or claim of confidentiality with respect the Property Information, and no third party benefits or relationships of any kind, either express or implied, have been offered, intended or created. In any case, Buyer shall promptly notify Seller in writing of any request for Property Information received by Buyer or any Responsible Party thereof from any Governmental Authority or any other Person.

(b) Notwithstanding the foregoing, no Property Information may be disclosed or disseminated to Buyer's Representatives, unless Buyer has notified such Representatives of the confidentiality thereof, and required them in writing to keep such Property Information confidential consistent with the terms hereof and the Confidentiality Agreement.

10.3 Environmental Reports. Notwithstanding the foregoing, with respect to all reports or documents prepared by or for Buyer describing, pertaining, or otherwise relating, to any Environmental Condition, Environmental Action or any other environmental matter affecting all or any part of the Property, such reports or documents shall: (a) be delivered to Seller, in draft form prior to being finalized; (b) not be finalized without due and proper consideration of any comments or corrections submitted by Seller; (c) certified to, and issued for the benefit of, Seller; and (d) be Property Information and subject to the terms of this Agreement and the Confidentiality Agreement.

ARTICLE 11. EVENT OF DEFAULT AND REMEDIES.

11.1 If Buyer breaches any obligation under this Agreement, which is not cured within three (3) Business Days after notice thereof (each, an "**Event of Default**"), then this Agreement shall automatically terminate and the license revoked as if it were the Expiration Date. A Buyer Default under the PSA shall automatically be deemed to be an Event of Default under this Agreement, and an Event of Default hereunder shall automatically be deemed a Buyer Default under the PSA, without further notice or action.

11.2 Upon termination of this Agreement by reason of an Event of Default, Buyer shall promptly vacate and surrender the Property, as required hereunder, and Seller may remove all persons or things therefrom, without legal process to the maximum extent permitted by Law, or by such legal process as Seller may deem appropriate. In addition to terminating this Agreement, if an Event of Default has occurred, Seller shall be entitled to seek any other remedy available hereunder, under the PSA, at Law, or in equity, all such remedies being cumulative and not exclusive. No termination or expiration of this Agreement shall relieve Buyer of its obligations to perform those acts required to be performed prior to the Expiration Date, or those expressly stated to survive the Expiration Date.

ARTICLE 12. INDEMNIFICATION; EXCULPATION AND RELEASE.

12.1 Buyer shall indemnify, defend and hold Seller, its Affiliates and their respective members, partners, venturers, stockholders, directors, managers, officers, spouses, legal representatives, agents, successors and assigns (collectively, the "**Indemnitees**") harmless from and against any and all claims, demands, fines, penalties, liabilities and obligations of any kind (a "**Claim**") arising from, relating to, or caused by, with or without fault: (a) the presence on, or use of, the Property by Buyer or its Representatives during the Term; (b) any act or omission of Buyer or any of its Responsible Representatives; (c) any bodily injury, property damage, accident, fire or other casualty to Buyer or its Representatives or their respective property on, or, about the Property; (d) any violation or alleged violation by Buyer or its Representatives of any applicable law; (e) any loss or theft whatsoever of any property or anything placed or stored by Buyer or its Representatives on or about the Property; (f) any breach by Buyer of its obligations under this Agreement; and (g) any enforcement by Seller of any provision of this Agreement and any cost of removing Buyer or any Responsible Party thereof from the Property or restoring the same as provided herein; provided, however, that no Indemnatee shall be entitled to indemnification hereunder to the extent any such Claim is ultimately established by a court of competent jurisdiction to have been caused solely by the gross negligence or willful misconduct of such Indemnatee. Except as otherwise provided in this Agreement, the Environmental Easement Agreement or any of the other Transaction Documents, nothing herein shall be construed as an agreement by Buyer to indemnify, defend, or hold Seller harmless from liabilities related to Pre-existing Environmental Condition for which Buyer is otherwise not liable under State law as a result of having conducted and filed a Baseline Environmental Assessment.

12.2 The foregoing indemnity and obligation to defend and hold harmless shall apply to any Claim brought by a private party or by a Governmental Authority under any applicable law. If any Claim shall be brought against an Indemnatee alleging any facts or circumstances for which Buyer is to provide indemnification and/or defense, Buyer shall, upon notice from the Indemnatee, defend the same at its expense by counsel approved in writing by such Indemnatee. The indemnity provided by Buyer in favor of the Indemnitees in this Agreement shall not require payment as a condition precedent, and a finding of liability or an obligation to indemnify shall not be a condition precedent to the duty to defend.

12.3 As a material inducement to Seller to enter into this Agreement, Buyer, for itself and its Representatives, forever **waives, releases, acquits, and forever discharges**, each RACER entity, and their respective Indemnitees (collectively, in such role, all of the foregoing are the "**Releasees**"), from any and all Claims or liabilities whatsoever arising from, related to, and/or otherwise in connection with, the use, access, and presence by and of Buyer and its Representatives on or about the Property pursuant to the terms hereof, that Buyer and any such Responsible Party may now have, ever had, or will ever have against the Releasees in connection therewith.

12.4 WAIVER OF JURY TRIAL. EACH PARTY HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES, TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAWS, ANY RIGHT IT OR ITS AFFILIATES, SUCCESSORS, OR ASSIGNS MAY HAVE TO A TRIAL BY JURY IN RESPECT TO ANY CLAIM ARISING OUT OF, UNDER, OR IN CONNECTION WITH THIS AGREEMENT OR ANY TRANSACTION DOCUMENT.

ARTICLE 13. ASSIGNABILITY. This Agreement may not be assigned, whether voluntarily or by operation of Law, and Buyer shall not permit the use of the Property, or any part thereof, except in strict compliance with the provisions hereof, and any attempt to do so shall be null and void.

ARTICLE 14. COST OF ENFORCEMENT. In the event any declaratory or other legal or equitable action is instituted between Seller and Buyer in connection with this Agreement or the subject matter hereof, then the prevailing party shall be entitled to receive from the losing party all of its costs and expenses, including court costs and reasonable attorneys' fees and costs.

ARTICLE 15. MISCELLANEOUS.

15.1 The laws of the State shall govern the validity, construction, enforcement, and interpretation of this Agreement; provided, however, that the Bankruptcy Court shall retain jurisdiction over any and all disputes arising under, or otherwise relating, to the construction and enforcement of the Bankruptcy Documents, and the transactions contemplated thereunder and governed thereby. Each Party hereby consents to the jurisdiction and venue of any Federal District Court and State Courts located in the county in which the Property is located, and waives personal service of any and all process upon it, consents to service of process by registered mail directed to each Party at the address for notices herein, and acknowledges that service so made shall be deemed to be completed upon actual delivery thereof (whether accepted or refused).

15.2 Neither this Agreement, nor a short form memorandum or assignment hereof, shall be filed or recorded in any public office and any attorneys' fees or other costs incurred in clearing such cloud on title to the Real Property shall be Buyer's responsibility.

15.3 This Agreement constitutes the entire agreement between the Parties hereto pertaining to the subject matter hereof and all prior and contemporaneous agreements, representations and understandings of the Parties hereto, oral or written, are hereby superseded and merged herein, except with respect to any matters set forth in the PSA. No supplement, modification, or amendment of this Agreement shall be binding unless in writing and executed by the Parties hereto. This Agreement is delivered pursuant to the PSA, and to the extent there are any inconsistencies or conflicts between the PSA and this Agreement, the terms of the PSA shall govern and control. To the extent any ambiguities are created when reading both the PSA and this Agreement together, such ambiguities shall be resolved in favor of Seller.

15.4 If any paragraph, subparagraph, sentence, clause, phrase or portion of this Agreement is, for any reason, held invalid, or unconstitutional by any court of competent

jurisdiction, such portion shall be deemed a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions of this Agreement. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions, whether or not similar, nor shall any waiver be a continuing waiver. No waiver shall be binding unless executed in writing by the party making the waiver.

15.5 The headings of this Agreement are for purposes of reference only and shall not limit or define the meaning of the provisions hereof.

15.6 This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which together shall constitute a fully executed agreement, with the same effect and validity as a single, original agreement signed by the Parties. Signatures transmitted via facsimile or electronic mail transmission shall have the same validity and effect as original signatures.

[Signature page follows]

*Signature page to
Pre-Closing Access Agreement*

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date first above written.

SELLER:

RACER PROPERTIES LLC,
a Delaware limited liability company

By: Revitalizing Auto Communities Environmental
Response Trust, Sole Member of RACER Properties
LLC

By: EPLET, LLC, acting solely in its capacity as
Administrative Trustee of Revitalizing Auto
Communities Environmental Response Trust

By: _____
ELLIOTT P. LAWS, not individually,
but acting solely in his capacity
as Managing Member

Date Signed: _____, 201__

BUYER:

_____,
a _____

By: _____
Name: _____
Title: _____

Date Signed: _____, 201__

EXHIBIT C

FORM OF DEED

QUIT CLAIM DEED

RACER PROPERTIES LLC, a Delaware limited liability company ("Grantor"), whose address is 500 Woodward Avenue, Suite 2650, Detroit, Michigan 48226, for and in consideration of the sum of TEN DOLLARS and No/100 and other good and valuable consideration as described on the Real Estate Transfer Tax Valuation Affidavit filed simultaneously with this Deed, paid by _____, ("Grantee"), having an address of _____, the receipt of which is hereby acknowledged, and pursuant to the Order of the United States Bankruptcy Court for the Southern District of New York entered on March 29, 2011, in Case No. 09-50026 (REG) styled *In re: Motors Liquidation Company, f/k/a General Motors Corporation, et al.*, by these presents does QUIT CLAIM unto Grantee, all of Grantor's rights, title and interests in and to (a) that certain tract of land, as more particularly described in Exhibit A attached hereto and incorporated herein by this reference for all purposes, (b) strips and gores between such tract of land and any abutting properties whether owned or claimed by deed, limitations or otherwise, and whether or not held under fence by Grantor, (c) any land lying in or under the bed of any creek, stream or waterway or any highway, avenue, street, road, alley, easement or right-of-way, open or proposed, in, on, across, abutting or adjacent to such tract of land, (d) improvements, buildings or fixtures located on such tract of land, and (e) mineral, water, oil, gas, solar and wind rights relating to all or any part of such tract of land, together with all of Grantor's rights, claims, titles and interests in and to any and all appurtenances, rights, easements, and rights-of-way, filings or other interests, including without limitation rents and profits accruing after the effective date hereof, related to or benefiting such tract of land (collectively, the "Property").

The Grantor further grants to the Grantee the right to make all divisions available to the Property under Section 108 of the Land Division Act, Act No. 288 of the Public Acts of 1967, as amended.

[MICHIGAN ONLY: The Property may be located within the vicinity of farm land or a farm operation. Generally accepted agricultural and management practices which may generate noise, dust, odors, and other associated conditions may be used and are protected by the Michigan Right to Farm Act.

Exempt from real estate transfer tax pursuant to Michigan Compiled Laws §§ 207.505(c) and 207.526(c).]

Dated this _____ day of _____, 201__.

(Signature and notary appear on following pages)

Signature Page to Quit Claim Deed

RACER PROPERTIES LLC,
a Delaware limited liability company

By: Revitalizing Auto Communities Environmental
Response Trust, Sole Member of RACER
Properties LLC

By: EPLET, LLC, acting solely in its capacity as
Administrative Trustee of Revitalizing Auto
Communities Environmental Response Trust

By: _____
ELLIOTT P. LAWS, not individually, but acting
solely in his capacity as Managing Member

DISTRICT/STATE OF _____)
_____) SS:
CITY/COUNTY OF _____)

On the ____ day of _____, 201_ before me a Notary Public for the District/State and City/County aforesaid, personally appeared ELLIOTT P. LAWS, who acknowledged himself to be the Managing Member of EPLET, LLC, the Administrative Trustee of the REVITALIZING AUTO COMMUNITIES ENVIRONMENTAL RESPONSE TRUST (the "Trust"), Sole Member of RACER PROPERTIES LLC, a Delaware limited liability company, and that he, being authorized to do so, executed the foregoing Quit Claim Deed, on behalf of RACER PROPERTIES LLC, not individually, but solely in his capacity as Managing Member of EPLET, LLC, Administrative Trustee of the Trust, its Sole Member, for the purposes therein contained by signing his name.

WITNESS my hand and seal the day and year aforesaid.

Notary's Signature: _____
Notary's Name: _____
Notary Public, District/State of _____
City/County of _____
My Commission Expires: _____
Acting in the County of: _____

Drafted by:

Ex. 6 - Personal Privacy

When recorded return to and send subsequent tax bills to:

TBD

EXHIBIT D

FORM OF ENVIRONMENTAL EASEMENT AGREEMENT

ENVIRONMENTAL EASEMENT AGREEMENT

Dated as of _____, 201__

Between

GRANTOR:

And

GRANTEE:

REVITALIZING AUTO COMMUNITIES ENVIRONMENTAL RESPONSE TRUST

Affecting Property Located at:

Tax Parcel Identification Number(s):

Town/City of _____, _____ County, State of _____

=====

ENVIRONMENTAL EASEMENT AGREEMENT

THIS ENVIRONMENTAL EASEMENT AGREEMENT (this "**Agreement**") is made as of _____, 201__ (the "**Effective Date**"), between _____, a _____, the address of which is _____ ("**Grantor**"), and **REVITALIZING AUTO COMMUNITIES ENVIRONMENTAL RESPONSE TRUST**, a trust formed under the laws of the State of New York, the address of which is 500 Woodward Avenue, Suite 2650, Detroit, Michigan 48226 ("**Trust**" or "**Grantee**"). Grantor and Grantee (or Trust) are collectively referred to herein as the "**Parties**." Certain defined terms used herein and not otherwise defined in the body of this Agreement are included in Section 5 below.

RECITALS

A. Grantor and the Trust's wholly-owned affiliate RACER Properties LLC, ("**RACER Properties**," a Delaware limited liability company), entered into that certain Purchase and Sale Agreement dated as of _____, 201__ (as modified, amended, restated, supplemented and/or assigned, the "**PSA**"), pursuant to which Grantor has agreed to purchase from RACER Properties certain real property and improvements (if any) located at _____, Tax Parcel Identification Number(s) _____, Town/City of _____, State of _____ ("**State**"), as more particularly described on **Exhibit A** attached hereto (the "**Property**").

B. Pursuant to that certain Findings of Fact, Conclusions of Law, and Order Pursuant to Sections 1129(a) and (b) of the Bankruptcy Code and Rule 3020 of the Federal Rules of Bankruptcy Procedure Confirming Debtors' Second Amended Joint Chapter 11 Plan, dated March 29, 2011, and all documents issued relating thereto, including the Settlement Agreement ("**Settlement Agreement**") issued by United States Bankruptcy Court for the Southern District of New York (the "**Bankruptcy Documents**"), subject to funding and other limitations described therein, Grantee is obligated with its successors and assigns to conduct certain Environmental Actions at, on, in, under or about the Property, or otherwise to comply with Environmental Laws and the requirements of any other governmental agency or authority, in each case having jurisdiction over the Property (each, a "**Governmental Authority**"), including without limitation, the United States Environmental Protection Agency ("**USEPA**"), and the corresponding agency within the State ("**[Name of corresponding State environmental agency]**"). As identified in Attachment A of the Settlement Agreement, as of the Effective Date, the Governmental Authority with the lead oversight role for the Property's Environmental Action is _____.

C. This Agreement is a condition to the closing of the transfer of the Property pursuant to the PSA and is made in furtherance of the Settlement Agreement to protect the public health, safety, and welfare, and the environment, and is intended to be contemporaneously recorded with the title to the Property in the appropriate real estate records in the county in which the Property is located.

NOW THEREFORE, for the purposes set forth above and in consideration of the recitals and mutual promises herein contained, Grantee and Grantor, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, intending to be legally bound, hereby agree as follows:

SECTION 1. EASEMENT.

1.1 **Grant of Easement.** Grantor, for itself and all Persons who shall succeed to any interest, directly or indirectly, in any portion of the Property and/or any improvements thereon and appurtenances thereto, by sale, assignment, conveyance, pledge, condemnation, succession upon default or foreclosure or by operation of law or by lease, sublease, license or any other transfer (collectively, "**Grantor's Successors**"), hereby grants, conveys and transfers to Grantee and its respective agents, employees, contractors, representatives, servants, tenants, subtenants, licensees, sublicensees, invitees, officers, directors, stakeholders, owners, divisions, subsidiaries, affiliates, heirs, successors and assigns, and such other Persons over which Grantee exerts control ("**Grantee's Representatives**") and any applicable Governmental Authority (including any representative thereof), a non-exclusive, rent-free easement (the "**Easement**") over the Property, including all improvements, structures, and facilities located thereon as are required or desired for the following limited purposes, and those purposes incidental thereto (collectively, the "**Easement Rights**"): (a) conducting and completing any Environmental Actions; (b) ensuring and enforcing compliance with any work plans, remedial action plans, or other plans approved by a Governmental Authority with respect to Environmental Actions, including the right to inspect the operation of the Environmental Actions, including without limitation any Remediation and Redevelopment Coordination Plan approved by the Grantor pursuant to the PSA (the "**RRCP**"), conducted at, on, in, under, or about the Property, including the right to inspect the operation of the Environmental Actions, and to perform any actions necessary to oversee compliance with the applicable plan; (c) access, ingress and egress to, from and over such portions of the Property as is required to perform and monitor the Environmental Actions and otherwise utilize the Easement; (d) recording any easements, subject to Grantor's approval, needed for any Remediation Systems; and (e) such access as is lawfully required by the Governmental Authorities to supervise and oversee the Environmental Actions. Grantor and Grantor's Successors are collectively referred to herein as "**Owner.**"

1.2 Any access rights granted under this Agreement shall not (nor are they intended to) expand, diminish, or modify any rights of any Governmental Authority under existing Environmental Laws to take any action of any kind with respect to Grantor, Owner (or any of Owner's agents, employees, contractors, representatives, servants, tenants, subtenants, licensees, sublicensees, invitees, officers, directors, stakeholders, divisions, subsidiaries, affiliates, heirs, successors and assigns, and such other Persons over which Owner exerts control ("**Owner's Representatives**")), or Grantee.

SECTION 2. EASEMENT DURATION AND TERMINATION.

2.1 **Nature of Easement.** The Easement, and all rights, obligations, covenants, and conditions set forth in this Agreement, shall be construed as both covenants and conditions running with the land, and continue to be easements, servitudes, charges and encumbrances appertaining to and upon, and covenants benefiting, binding and running with, the land, buildings and improvements now or later existing upon or within the Property. Grantee's interests herein shall be enforceable as an irrevocable easement running with Property, coupled with an interest, and enforceable against Grantor and Owner (and their respective Representatives) and all third parties claiming an interest in the Property through any of them. Grantor and any future Owner of all or a portion of the Property, or any interest therein, shall automatically be deemed by acceptance of title thereto to have assumed all rights and obligations created under this Agreement pertaining to such lands. The conveyance by Grantor or any future Owner of fee simple title to any of

the Property, whether voluntarily or by operation of law, shall relieve only such Owner, of all obligations and Liabilities thereafter accruing hereunder.

2.2 **Termination Event.** The Easement and Easement Rights, and Grantee's rights and obligations hereunder with respect thereto, shall remain in full force and effect until USEPA and/or [name of corresponding State environmental agency] otherwise unconditionally waives or releases, in writing (a "**Governmental Authority Determination**"), Grantee from any and all further obligations and Liabilities with respect to Environmental Actions in, on, or at the Property (a "**Termination Event**"). Owner shall also have the right to seek, after notice and consultation with Grantee, a Governmental Authority Determination that the Easement is no longer required at any time. In the event a Governmental Authority re-opens any investigation of the Environmental Conditions on the Property after a Termination Event, and notice of such re-opening is provided to Owner, Grantee shall have the right to access the Property in accordance with this Agreement.

2.3 **Easement Termination and Release.** Within thirty (30) days following such Termination Event, the Trust shall deliver to Owner an executed and acknowledged agreement (the "**Termination Amendment**") providing for the amendment and modification of this Agreement to terminate the Easement Rights, and release and relinquish the Easement.

SECTION 3. USE, OPERATION, AND COOPERATION.

3.1 Grantee Access and Activities.

3.1.1 Grantee and/or Grantee Representatives may access and use the Property, at all reasonable times and in accordance with the terms of this Agreement, for purposes of exercising the Easement Rights, so long as Owner is provided with at least seventy-two (72) hours prior notice, except in the event of an Emergency, or when otherwise required by any and all laws, statutes, ordinances, rules, or orders of any Governmental Authority having jurisdiction over the Property ("**Laws**"), in which case, the Grantee shall provide Owner with such advance notice as is reasonable under the circumstances. A Governmental Authority (or its representatives) and/or Owner (and/or Owner's Representatives) shall be permitted, should either so choose, to accompany Grantee during the exercise of the Easement Rights; provided that Grantee's exercise of its Easement Rights shall not be restricted in the event Owner or Governmental Authority is unable to be present.

3.1.2 With respect to any Pre-Existing Environmental Conditions, Grantee shall, solely in accordance with the Settlement Agreement, this Agreement, and budgets and plans approved by the appropriate Governmental Authorities: (a) exclusively conduct, or have conducted, all Environmental Actions at the Property, and design, install, operate, and maintain all Remediation Systems, without unreasonably interfering with Owner's operations thereon or the use and development thereof (provided Owner has previously provided Grantee with a description of Owner's use, development, and operations; and (b) provide Owner with all reports on the progress and resolution of such Environmental Actions that are provided to appropriate Governmental Authorities, and related communications from such Governmental Authorities concerning same.

3.1.3 Notwithstanding the foregoing or anything to the contrary set forth elsewhere herein, Owner shall be responsible for all costs caused by, arising from, or related to: (a) any reconfiguration or relocation of any Remediation Systems requested by Owner; and (b) any damage to or by any Remediation Systems to the extent resulting from the

negligence or willful misconduct of Owner or any Owner Representative, except to the extent caused by Grantee or any of Grantee's Representatives.

3.2 Owner's Activities and Restrictions on Use.

3.2.1 Owner may use the Property only for nonresidential uses that are compatible with [MICHIGAN ONLY: the nonresidential cleanup criteria category referenced in MCL §324.20120a(1)(b) and/or] Restrictions set forth in any Restrictive Covenant, or similar document, recorded against the Property (the "**Intended Use**") and for no other purpose. Any modifications required at, in, on, or below the Property by Owner to accommodate such Intended Use (the "**Development Activities**") shall be the sole obligation of Owner and conducted at such Owner's sole expense and shall be performed in accordance with any RRCP, so as to not: (a) exacerbate any Environmental Condition; (b) violate any Restrictions in any Restrictive Covenant; or (c) unreasonably or materially interfere with, disrupt, impair, inhibit, impede, prevent, restrict, or otherwise impact (collectively, "**Impact**") any Environmental Action, to the extent performed pursuant to or in accordance with this Agreement, the Settlement Agreement, or as directed by a Governmental Authority.

3.2.2 No permanent markers may be placed on the Property without Owner's prior written consent, which consent shall not be unreasonably withheld, delayed, or conditioned; provided, however, any markers required by Law or any applicable Governmental Authority shall be placed in accordance with the specific requirements thereof. Upon granting such consent, Owner shall not remove, cover, obscure, or otherwise alter or interfere with the permanent markers placed on the Property, if required by USEPA, [corresponding State environmental agency] or any other Governmental Authority, or otherwise in connection with the performance of any other Environmental Actions. To the extent required by any Governmental Authority, Owner shall keep vegetation and other materials clear of the permanent markers to assure that the markers are readily visible.

3.3. Owner's Environmental Responsibilities.

3.3.1. Except as otherwise provided in this Agreement, Owner shall be responsible for any and all Environmental Compliance Liabilities to the extent caused by and arising from, or relating to: (a) any Pre-Existing Environmental Conditions exacerbated by Owner or any Owner's Representatives; (b) violations of Owner's due care or continuing obligations (if any); or (c) any Environmental Condition caused by Owner or any Owner's Representatives. Without limiting the generality of the foregoing, to the extent any Release or Environmental Condition on, at or affecting the Property is caused by, arises from, or relates to any act or omission of Owner, or any of Owner's Representatives, in violation of any Environmental Laws, any Restrictive Covenant, due care plan (or similar document), or this Agreement, then Owner, at its sole expense, shall conduct appropriate environmental response actions to remove, or mitigate exposure to, the Release and/or Environmental Condition, in compliance with any applicable Environmental Laws and any Governmental Authority directive.

3.3.2. In the event an Environmental Condition is discovered on the Property that: (a) is not a Pre-Existing Environmental Condition; and (b) was not caused by Owner or any Owner's Representative; (i) as between Owner, RACER Properties, and Grantee, Owner shall have no liability or responsibility with respect to such Environmental Condition (except as specifically set forth above); and (ii) subject to the terms (including the funding limitations therein) of the Settlement Agreement and approval of any remediation action by the applicable Governmental Authorities, such Environmental Condition may, as determined

solely by Grantee and the applicable Governmental Authorities, be deemed a Pre-Existing Environmental Condition, in which case it is subject to Section 3.1.2. Owner specifically waives any Claims (as defined below) against RACER (as defined below) or the Property with respect to any matters relating to clause (ii) above.

3.3.3. From and after the recording of this Agreement, Owner hereby assumes, at its sole expense and liability, the obligation to do all of the following in accordance with Environmental Law and this Agreement and any RRCP: (a) to properly operate, maintain, manage, remediate and dispose of any Surface Materials; (b) exercise its due care and/or comply with its continuing obligations (if any) relating to the Environmental Conditions; and (c) to perform and complete any and all: (i) demolition or renovations of improvements at the Property which are required by Law, or otherwise deemed necessary or desirable by Owner; and (ii) obligations with respect to the redevelopment, improvement and operation of the Property, and any Environmental Condition there at, on, in, under, or about, including but not limited to any obligations under any Environmental Law.

3.3.4. Notwithstanding anything to the contrary set forth in this Agreement, with respect to any Pre-Existing Environmental Condition, neither Owner, nor any Owner Representative, shall: (a) voluntarily report or otherwise communicate with any Governmental Authorities, except to the extent such report or communication is: (i) required by Environmental Law, including, but not limited, in connection with Owner's performance of a Baseline Environmental Assessment or similar document, and preparation and implementation of any Due Care Plan or similar document, and efforts to obtain a prospective purchaser agreement or similar agreement from a Governmental Authority; (ii) in response to an order, directive, demand, or specific request of such Governmental Authorities; (iii) reasonably related to Owner's obligations under a Development Agreement or a brownfield plan, work plan or similar plans or documents associated with the funding of Owner's activities on the Property that are required to be disclosed to any third party in connection with such funding; or (iv) reasonably necessary to defend against or otherwise respond to a third party claim against Owner; or (b) except in connection with any of the foregoing, take any other action which is intended to result in any Governmental Authority or third party requesting or requiring Grantee to take, perform or cease any activity on or with respect to the Property, or increasing the cost or scope of any Environmental Actions. Without prejudice to the foregoing, Owner and Owner's Representatives shall further notify Grantee in writing in advance of any permitted contact with any Governmental Authority concerning any Pre-Existing Environmental Condition of the Property, including any Environmental Action with respect thereto, and shall permit the Grantee to attend and participate in any communications with the Governmental Authorities. Owner and Owner's Representatives shall also deliver any and all Notices received from any Governmental Authority in any way related to the Property to the Grantee promptly after receipt thereof, and shall coordinate and cooperate with the Grantee, in responding to the same.

3.4. Future Restrictions on Owner's Use. Owner hereby acknowledges that, from and after the date of this Agreement, certain additional Restrictions, relating to the Environmental Actions and/or the use of the Property, may need to be recorded against the Property as follows:

(a) With respect to such Restrictions that are required by Environmental Law, or approved by any Governmental Authority, Owner shall, promptly, upon being notified of the need for such Restrictions by Grantee or any Governmental Authority, agree to and take every action required to properly record such Restrictions, and/or

(b) With respect to any other Restrictions reasonably requested by Grantee to implement any Environmental Law or Governmental Authority requirement: (i) such Restrictions shall not have a material adverse effect, proven by the Owner, on Owner's operation, use, or development of the Property or the value thereof; and (ii) Owner shall have the right to consent to such Restrictions, which consent shall not be unreasonably withheld, delayed, or conditioned.

In all cases, Grantee shall provide Grantor with: (A) prior notice of any meeting or other procedure established by any Governmental Authority in connection with determining whether or not such Restrictions are necessary or appropriate, and the opportunity to consult in good faith with Grantee in connection therewith; (B) information and reasonable updates with respect to such procedures and determination; and (C) the opportunity, individually, and together with any or all appropriate Governmental Authorities in connection therewith, to participate in such procedures and determinations, to the extent permitted by such Governmental Authorities.

3.4.1. In furtherance of this Section 3.4, Owner shall within thirty (30) days execute, deliver, and record, any and all documentation prepared by Grantee and approved by any applicable Governmental Authority, and required in order to effectuate and/or impose such additional Restrictions or modifications. If Owner fails to execute and deliver the required documentation within such thirty (30) day or other applicable period, then Owner irrevocably appoints Grantee as attorney-in-fact for Owner with full power and authority to execute, deliver and record, in the name of Owner, any such documentation, which appointment is coupled with an interest, and is irrevocable.

3.4.2. Any and all Restrictions set forth herein or added to the Property pursuant to this provision shall be deemed to be covenants, conditions and Restrictions running with the land, affirmatively enforceable against and binding upon Grantor and any future Owner, and shall continue to be easements, servitudes, charges and encumbrances appertaining to and upon, and covenants benefiting, binding and running with, the land, buildings and improvements now or later existing upon or within the Property.

3.5 Cooperation. Grantee and Owner (and their respective Representatives) shall cooperate with each other in all commercially reasonable respects, and as required by Environmental Law and the Settlement Agreement, in connection with: (a) Grantee's performance and completion of any Environmental Actions and assisting Grantee in obtaining a Governmental Authority Determination; (b) Grantee's exercise of its Easement Rights herein; and (c) the integration and coordination of Owner's use, development, and operation of the Property with any Environmental Actions as set forth in any RRCP.

3.6 Utilities. At Grantee's sole cost and expense, Grantee shall have access to all available Utilities at the Property, to the extent reasonably necessary for Grantee to conduct, or cause to be conducted, Environmental Actions in a cost-effective manner and as required under this Agreement. Grantee shall pay its appropriate allocated share of such utility fees based on mutual agreement of the Parties or pursuant to metered utilities and Grantee shall be responsible for any damage to Utilities resulting from the exercise of the Easement Rights. Except to the extent required by a Governmental Authority as part of Environmental Actions, any and all management of Utilities which may be present at or below the Property, is the sole obligation and liability of Owner.

3.7. Liens.

3.7.1. Grantee shall keep the Property free and clear of any liens or encumbrances of any kind ("Liens"), to the extent resulting from the exercise of the Easement Rights, except that Grantee may, in good faith, contest such Liens so long as it pays, removes, bonds or sets aside, or causes to be paid, removed, bonded or set aside, adequate reserves, with respect to any such Liens being contested in good faith prior to being enforced against the Property. Any damage caused by Owner to any Remediation Systems or other equipment related to the Environmental Actions shall become a Lien against the Property and Grantee shall be entitled to record any and all documents against the Property necessary to perfect such Lien.

3.7.2. This Agreement is, and shall at all times hereafter be, superior to: (a) the Lien of any mortgage or mortgages which may now or hereafter affect the Property, and to all advances made or hereafter to be made upon the security thereof and to the interest thereon, and to any agreements at any time made modifying, supplementing, extending or replacing any such mortgages; (b) any ground or underlying lease which may now or hereafter affect the replacements and extension thereof; and (c) any other Liens which may hereafter affect the Property, to the extent permitted by Law.

3.8 Settlement Agreement Limitations. Any Environmental Actions shall be subject to the terms of this Agreement, any RRCP, force majeure events and the Settlement Agreement (including, without limitation, the funding limitations of the Funding Accounts (as defined in the Settlement Agreement) for the Environmental Actions). Grantee shall use commercially reasonable efforts to complete any Environmental Actions related to the Property, as required by the Settlement Agreement. The terms of this Agreement and the Easement Rights, to the extent they relate to Grantee's Environmental Actions, shall, in all respects, be subject to the terms of the Settlement Agreement. Grantor, for itself and any future Owners, hereby waives and releases Grantee and Grantee Representatives from and against any and all liabilities for any additional Environmental Actions or other remediation or other work by Grantee, whether required or recommended for the Property by any Governmental Authority, to the extent it is not allowed for, or cannot be funded, under the Settlement Agreement. In the event of any conflict between the terms hereof and the terms of the Settlement Agreement, the terms of the Settlement Agreement shall control. Grantor hereby acknowledges that it has been provided with a copy of or access to, and has had an opportunity to review, the Settlement Agreement (available as of the Effective Date at <http://racertrust.org>).

3.9. Surrender and Restoration. Except to the extent precluded by the Environmental Actions or required by any Governmental Authority or by Environmental Laws, within ninety (90) days after the delivery by Owner of a Termination Amendment, Grantee shall surrender and vacate the Property, and use all commercially reasonable efforts to restore the Property to a reasonable condition, all Environmental Actions, Owner's activities, casualty, condemnation, and ordinary wear and tear excepted. In connection therewith, Grantee shall remove, at its sole cost (to the extent funding is available under the Settlement Agreement), all Remediation Systems which are not required by any Governmental Authority to remain on the Property within such ninety (90) day period; and restore any damage to the Property resulting therefrom.

3.10. Waiver and Release. EXCEPT TO THE EXTENT OTHERWISE EXPRESSLY PROVIDED FOR IN THIS AGREEMENT, GRANTOR, FOR ITSELF AND FUTURE OWNERS, FOREVER WAIVES, RELEASES, RELINQUISHES, ACQUITS AND FOREVER DISCHARGES GRANTEE, RACER PROPERTIES LLC, THEIR AFFILIATES AND THEIR RESPECTIVE MEMBERS, PARTNERS, VENTURERS, STOCKHOLDERS, DIRECTORS, MANAGERS, OFFICERS, SPOUSES, LEGAL REPRESENTATIVES, AGENTS, AND

SUCCESSORS AND ASSIGNS (COLLECTIVELY "RACER") FROM ANY AND ALL CLAIMS, DEMANDS, FINES, EXPENSES, DUTIES, OBLIGATIONS AND LIABILITIES WHATSOEVER (COLLECTIVELY, "CLAIMS") ARISING FROM, RELATED TO AND/OR OTHERWISE IN CONNECTION WITH, ALL ENVIRONMENTAL CONDITIONS AFFECTING, OR WHICH MAY AFFECT, THE PROPERTY, INCLUDING, BUT NOT LIMITED TO, CLAIMS ARISING FROM OR RELATED TO ALL PRE-EXISTING ENVIRONMENTAL CONDITIONS, THAT GRANTOR AND ANY FUTURE OWNERS MAY NOW HAVE, EVER HAD OR WILL EVER HAVE AGAINST RACER IN CONNECTION THEREWITH.

3.11. Insurance. Prior to entering the Property pursuant to this Agreement, Grantee or Grantee's Representatives, as the case may be, shall deliver to Grantor a certificate of insurance evidencing that Grantee or Grantee's Representatives, as appropriate, have in effect the following underlying and umbrella policies: a general liability and property damage insurance policy with a combined single limit of at least One Million Dollars (\$1,000,000) worth of coverage for any one occurrence, an automobile public liability and property damage insurance policy including owned, hired, rented or non-owned automotive equipment with a combined single limit of at least One Million Dollars (\$1,000,000), as well as employer's liability insurance of at least One Million Dollars (\$1,000,000) in the aggregate covering the activities of Grantee and Grantee's Representatives, as appropriate, on or about the Property and contractor's pollution and professional liability (if applicable) of at least One Million Dollars (\$1,000,000) per occurrence, and Two Million Dollars (\$2,000,000) in the aggregate; and that Grantor and Grantee (and for policies owned by Grantee's Representatives) have been named as additional insureds on all such insurance policies to the extent of Grantee's and Grantee's Representatives' obligations hereunder. All such policies shall provide that Grantee will endeavor to deliver to Grantor a minimum of thirty (30) days' advanced notice of cancellation, to the extent commercially obtainable and practicable, and endorsed to provide a waiver of subrogation as to Grantor and Grantor's Representatives. The insurance shall be considered primary insurance and Grantor's insurance, if any, shall be secondary. Any deductibles will be paid by the primary named insured. Grantee shall obtain and deliver to Grantor, upon request, certificates of insurance from each of its contractors evidencing the coverage required by this Section 3.11 in advance of any access to, or work at, the Property.

3.12. Waiver of Jury Trial. EACH PARTY HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES, TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAWS, ANY RIGHT IT OR ITS AFFILIATES, SUCCESSORS OR ASSIGNS MAY HAVE TO A TRIAL BY JURY IN RESPECT TO ANY CLAIM ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT OR ANY TRANSACTION DOCUMENT. THIS PROVISION IS A MATERIAL INDUCEMENT TO GRANTEE ACCEPTING THIS AGREEMENT.

SECTION 4. GENERAL TERMS.

4.1. Governing Law. The laws of the State in which the Property is located shall govern the validity, construction, enforcement, and interpretation of this Agreement. Each Party hereby consents to the jurisdiction and venue of the Federal District Court and State Courts located in the county in which the Property is located, waives personal service of any and all process upon it, consents to service of process by registered mail directed to each Party at the address for notices herein, and acknowledges that service so made shall be deemed to be completed upon actual delivery thereof (whether accepted or refused).

4.2. **Entire Agreement.** This Agreement contains the entire agreement between the Parties concerning its subject matter, and supersedes and replaces all prior agreements and understandings between Grantor and Grantee with respect to Grantee's access to the Property.

4.3. **Paragraph Headings.** The paragraph headings appearing herein are for the convenience of the Parties and are not to be used or construed so as to modify the terms and conditions of this Agreement in any fashion.

4.4. **Successors, Assigns, etc.** This Agreement shall inure to the benefit of, be binding upon, and be enforceable by the Parties and their successors and assigns.

4.5. **No Beneficiaries.** Except as otherwise specifically provided herein, nothing expressed or implied in this Agreement is intended, or shall be construed, to confer upon or give any person, firm, or corporation other than Grantee and Grantor/Owner, any rights or remedies under or by reason of this Agreement. Notwithstanding the foregoing or anything to the contrary set forth elsewhere in this Agreement, both USEPA and [name of corresponding State environmental agency] are intended to be third party beneficiaries of this Agreement, and be entitled to enforce those terms of this Agreement which the Grantee is entitled to enforce.

4.6. **Notice.** Any notice, demand, or other communication required to be given or to be served upon any Party hereunder shall be in writing and delivered to the person to whom the notice is directed, either: (a) delivered by delivery service (including any express mail or overnight delivery service); or (b) sent by electronic mail or by facsimile. Any notice given by overnight delivery service for next Business Day delivery shall be deemed given on the date of deposit with the overnight carrier for next Business Day delivery. Any notice, demand, or other communication given other than by overnight carrier shall be deemed to have been given and received when delivered (if by facsimile or electronic mail, as evidenced by a facsimile receipt or date of electronic mail) to the address of the Party to whom it is addressed as stated below.

If to the Grantee:

Ex. 6 - Personal Privacy

With a Copy to:

Ex. 6 - Personal Privacy

And a Copy to:

Ex. 6 - Personal Privacy

And a Copy to:

Ex. 6 - Personal Privacy

If to Grantor:

And a Copy to:

Attn:
Facsimile:
Email:

4.7 **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which together shall constitute a fully executed agreement, with the same effect and validity as a single, original agreement signed by all of the Parties. Signatures transmitted via facsimile or electronic mail transmission shall have the same validity and effect as original signatures.

SECTION 5. DEFINITIONS.

The following defined terms shall have the meaning ascribed thereto below:

(a) **"Affiliate"** means, with respect to any Person, any Person that controls, is controlled by or is under common control with such Person, together with its and their respective partners, venturers, directors, officers, stockholders, agents and employees. A Person shall be presumed to have control when it possesses the power, directly or indirectly, to direct, or cause the direction of, the management or policies of another Person, whether through ownership of voting securities, by contract or otherwise.

(b) **"Bankruptcy Code"** means Title 11 of the United States Code, as amended and/or supplemented from time to time, together with any similar Law relating to bankruptcy, insolvency, reorganization, restructuring, winding up or composition or adjustment of a Person's debts.

(c) **"Bankruptcy Court"** means the United States Bankruptcy Court for the Southern District of New York.

(d) **"Bankruptcy Documents"** means, collectively, the Confirmation Order and the "Plan" described therein, the Settlement Agreement, the Trust Agreement and any other documents relating to the Trust or the Property filed with the Bankruptcy Court in connection with the Case, or delivered pursuant thereto.

(e) [MICHIGAN ONLY: **"Baseline Environmental Assessment"** or **"BEA"** means a written report prepared in accordance with Parts 201 and/or 213 of Michigan's NREPA (as defined below), and the regulations promulgated thereunder, that confirms that, among other things, the Property is a "facility" and/or a "site" as those terms are defined in those Acts.] [OR "Intentionally deleted."]

(f) **"Business Day"** means any day other than: (i) a Saturday, Sunday or federal holiday; or (ii) a day on which commercial banks in the State are authorized or required to be closed for all or any portion of the normal business hours of the day.

(g) **"Case"** means that certain Chapter 11 case filed by Motors Liquidation Company (f/k/a General Motors Corporation) and jointly administered with the Chapter 11 cases of its affiliated debtors under Case No. 09-50026 (REG).

(h) **"Confirmation Order"** means that certain Findings of Fact, Conclusions of Law, and Order Pursuant to Sections 1129(a) and (b) of the Bankruptcy Code and Rule

3020 of the Federal Rules of Bankruptcy Procedure Confirming Debtors' Second Amended Joint Chapter 11 Plan, dated March 29, 2011, issued by the Bankruptcy Court and filed as Docket No. 9941 in the Case approving, among other things the "Plan" described therein and the Settlement Agreement.

(i) **"Development Agreement"** means that certain Development Agreement, if any, entered into pursuant to the PSA between Grantor and the relevant local Governmental Authority for the redevelopment of the Property.

(j) [MICHIGAN ONLY: **"Due Care Plan"** or **"DCP"** means a written report documenting Grantor's or Owner's due care requirements of MCL 324.20107a and/or continuing obligations set forth in 42 U.S.C. Section 9601(40) related to its Intended Use of the Property.] [OR "Intentionally deleted."]

(k) **"Emergency"** means any event, condition, or circumstance which poses, or without immediate action will pose, a threat of: (i) imminent danger to the safety of Persons at the Property; (ii) significant or structural damage to, the Easement Area, the remaining Property, or the Remediation Systems; (iii) a Release, Environmental Condition or Environmental Compliance Liability; or (iv) violation of a Restriction.

(l) **"Environmental Action"** means, subject to the terms of the Settlement Agreement, any response, removal, investigation, sampling, remediation, reclamation, closure, post-closure, corrective action, engineering controls, institutional controls, deed restrictions, oversight costs and Operation, Maintenance and Monitoring activities authorized or required under the Settlement Agreement or under any Law with respect to the Property.

(m) **"Environmental Claims"** means, with respect to the Property, any and all Claims or Demands brought or instigated by any Governmental Authority under any Environmental Law or with respect to Environmental Condition, and/or any and all third party Claims or demands (including without limitation those based on negligence, trespass, strict liability, nuisance, toxic tort or detriment to human health or welfare) due to any actual or threatened Release and whether or not seeking any Liabilities.

(n) **"Environmental Compliance Liability"** means any Liability arising from, or related to, an Environmental Claim, any Environmental Condition or any other violation of any Environmental Law.

(o) **"Environmental Condition"** means any Release or other event, circumstance and/or condition existing at, on, in, under or about the Property, or the ambient air around the Property.

(p) **"Environmental Laws"** means any and all Laws relating to pollution, noise and/or odor control, wetlands pollution, the protection or restoration of health, safety or the environment, natural resources, and/or the use, transportation, presence, storage, handling, disposal, discharge, recycling, treatment, generation, processing, labeling, production, release, contamination or disposal of threatened Release of Hazardous Substance, including, without limitation, the following: (i) the Clean Air Act, 42 U.S.C. Section 7401 et seq.; (ii) the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901 et seq.; (iii) the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. Section 9601 et seq.; (iv) the Federal Water Pollution Control Act, 33 U.S.C. Section 1251 et seq.; (v) the Toxic Substances Control Act, 15 U.S.C. Section 2601 et seq.; (vi) the Safe Drinking Water Act, 42 U.S.C. Section 300f et seq.; (vii) OSHA, 29 U.S.C. 651 et seq.; (viii) the Emergency Planning and Community Right to Know Act, 42 U.S.C. Section

11001 et seq.; and (ix) the Oil Pollution Act of 1990, 33 U.S.C. Section 2701 et seq.; as in effect on the Effective Date, and including the analogous Laws of the State [MICHIGAN ONLY: including but not limited to applicable provisions of Michigan's Natural Resources and Environmental Protection Act, MCL 324.101 et seq. ("**NREPA**") and applicable tribal or local Law counterparts, as any of the foregoing has been, and may be, reauthorized, amended, supplemented, and/or replaced from time to time.

(q) "**Hazardous Substances**" means all materials, substances, and wastes, defined, designated, regulated or classified as hazardous, toxic or radioactive under Environmental Laws, whether by type or by quantity, and shall include but not be limited to petroleum or any derivative or by-product thereof and asbestos-containing materials.

(r) "**OMM**" means the operation, monitoring and maintenance activities required as a form of Environmental Action under the Settlement Agreement.

(s) "**Party**" refers to either Grantor or Grantee, as appropriate, and as a party to this Agreement.

(t) "**Person**" refers to an individual, corporation, partnership, limited liability company, association, trust, unincorporated organization or other entity.

(u) "**Pre-Existing Environmental Condition**" means any Environmental Condition existing as of the Effective Date for which the Trust has actual knowledge and is obligated to perform Environmental Actions under the PSA, the Settlement Agreement, or any other Bankruptcy Document.

(v) "**Release**" means releasing, spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, disposing, transporting or dumping of Hazardous Substances, or as otherwise defined under any Environmental Law, or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Substances.

(w) "**Remediation Systems**" means that or those certain machinery, equipment and fixtures used in connection with the Environmental Action, including without limitation, treatment sheds, monitoring wells, monitoring devices, vapor extraction systems, pump and treat systems, air sparge and compressor systems, bioremediation systems, oil and water separators and associated personal property and fixtures.

(x) "**Restrictions**" means those restrictions, covenants, conditions, reservations, controls (engineering, land use, institutional and otherwise), easements or rights-of-way, affecting the future use of, access to, or activities on the Property, relating to the ongoing Environmental Actions at, on, in, under or about the Property, and otherwise limiting the use and/or development of the Property to the Intended Use or to implement the Settlement Agreement, whether agreed to by the Parties or required by any Governmental Authority.

(y) "**Restrictive Covenant**" means a recorded document that sets forth the Restrictions on the Property and is based upon the form required by the applicable Governmental Authority, i.e., MDEQ's model Restrictive Covenant applicable to Part 201, Part 111, and or Part 213 of NREPA, whichever is applicable.

(z) "**Settlement Agreement**" means that certain Environmental Response Trust Consent Decree and Settlement Agreement among Motors Liquidation Corporation (f/k/a

General Motors Corporation) and its affiliated debtors, the States, and EPLET, LLC (not individually but solely in its representative capacity as Administrative Trustee of the "Environmental Response Trust" established thereby) that established the Trust, notice of which was published in the 75 Fed. Reg. 66390 (Oct. 28, 2010) and a copy of which is available as of the Effective Date at http://racertrust.org/About_RACER/Settlement_Agreement.

(aa) **"States"** means collectively, the United States of America (on behalf of the Environmental Protection Agency and the Saint Regis Mohawk Tribe), the States of Delaware, Illinois, Indiana, Kansas, Michigan, Missouri, New Jersey, New York, Ohio, Virginia and Wisconsin, and the Louisiana Department of Environmental Protection and the Department of Environmental Protection of the Commonwealth of Pennsylvania.

(bb) **"Surface Materials"** means any and all discarded materials located on or at the surface of the Property, including, but not limited to: building materials from demolition activities; domestic and industrial trash; tires; automotive parts; used containers which held materials such as paint, antifreeze, gasoline, and other household substances; materials painted with lead-based paints or otherwise; wood, and other materials which may have been painted with lead-based paints; and roof shingles and other building materials which may contain asbestos-containing materials.

(cc) **"Trust Agreement"** means that certain "Environmental Response Trust Agreement" described in the Settlement Agreement, pursuant to which the Trust was formed.

(dd) **"Utilities"** means any and all water, gas, electric, septic and sanitary and storm water utilities and related infrastructure, that service the Property or any portion thereof.

[MICHIGAN ONLY: This Instrument is exempt from State and County Transfer Tax pursuant to Michigan Compiled Laws §§ 207.526(a) and 207.505(a).]

[SIGNATURES ON FOLLOWING PAGES]

Signature Page to Environmental Easement Agreement

IN WITNESS WHEREOF, the Parties have executed and delivered this Agreement as of the date and year first written above.

GRANTOR:

_____, a _____

Dated as of _____, 201__

By: _____

Name: _____

Title: _____

STATE OF _____)

COUNTY OF _____) SS: _____

On the ____ day of _____, 201__, before me a Notary Public for the State and County aforesaid, personally appeared _____, who acknowledged himself or herself to be the _____ of _____ a _____ and that he, being authorized to do so, executed the foregoing Environmental Easement Agreement for the purposes therein contained by signing the name of said entity by himself or herself as such officer.

WITNESS my hand and seal the day and year aforesaid.

Print Name: _____
Notary Public, State of _____
County of _____
Acting in the County of _____
My commission expires: _____

Signature Page to Environmental Easement Agreement

IN WITNESS WHEREOF, the Parties have executed this Agreement on the date and year first written above.

GRANTEE:

Dated as of _____, 201__

**REVITALIZING AUTO COMMUNITIES
ENVIRONMENTAL RESPONSE TRUST,**
a trust formed under the laws of the State of
New York

By: EPLET, LLC, acting solely in its capacity as
Administrative Trustee of Revitalizing Auto
Communities Environmental Response Trust

By: _____
ELLIOTT P. LAWS, not individually,
but acting solely in his capacity
as Managing Member

DISTRICT/STATE OF _____)
_____) SS.
CITY/COUNTY OF _____)

On the _____ day of _____, 201__ before me a Notary Public for the District/State and City/County aforesaid, personally appeared Elliott P. Laws who acknowledged himself to be the Managing Member of EPLET, LLC, as Administrative Trustee of the REVITALIZING AUTO COMMUNITIES ENVIRONMENTAL RESPONSE TRUST (the "Trust"), Sole Member of RACER Properties LLC, a Delaware limited liability company, and that he, being authorized to do so, executed the foregoing Environmental Easement Agreement on behalf of RACER PROPERTIES LLC, not individually, but solely in his capacity as Managing Member of EPLET, LLC, Administrative Trustee of the Trust, its Sole Member, for the purposes therein contained by signing his name.

WITNESS my hand and seal the day and year aforesaid.

Print Name: _____
Notary Public, District/State of _____
City/County of _____
Acting in the City/County of _____
My commission expires: _____

TAX PARCEL IDENTIFICATION NUMBER(S): _____

DRAFTED BY AND WHEN RECORDED MAIL TO:

Ex. 6 - Personal Privacy

EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY

All those tracts or parcels of land lying and being in the Town/City of _____,
_____ County, State of _____, and being more particularly described on as
follows:

Tax Parcel ID Number(s):

Commonly known as:

EXHIBIT E

**DECLARATION OF RESTRICTIVE COVENANT
OR ENVIRONMENTAL RESTRICTIVE COVENANT**

EXHIBIT F

SITE PLAN

DRAFT
Survey of Buyers of Brownfield Properties
Proposal Outline
5/4/2017

In concept, the acquisition and redevelopment of a brownfield site can have many advantages over greenfield development, for investors, developers and end-users seeking a return on investment or which have a new requirement for locating its operations. Some of the stated reasons given anecdotally by the buyers of RACER Trust properties have included:

- Location
- Business climate (e.g., tax, regulation, etc.)
- Availability of non-discretionary public financial incentives (e.g., TIF, foreign trade zone, new markets tax credits, etc.)
- Stability/sophistication/capacity of local government
- Availability/cost of municipal services (e.g., public safety, public works, etc.)
- Access to education (e.g., K-12, higher ed, work force training, etc.)
- Enforcement of codes (e.g., zoning) for protection of investment/asset value/re-sale value
- Value proposition (purchase price, all-in costs of development, start-up and operations, etc.)
- Access to market/customers
- Vehicle/foot traffic counts
- Demographics (e.g., income levels, eligibility for grants, etc.)
- Access to existing infrastructure (e.g., electric, gas, water, wastewater, IT, etc.)
- Access to existing transportation (e.g., curb cuts, improved surface streets, traffic controls, interstate, rail, port, etc.)
- Access to skilled work force
- Cost avoidance (for GF development costs)
- Media markets (for advertising/promotion, reputation, image, etc.)
- Regulatory certainty
- Liability protections
- Reasonableness of buyer due care obligations
- Availability of environmental insurance
- Sustainability & sustainable development goals
- Existing site improvements
- Preservation of GF space
- Speed to start of production/commercial operations

However, more could be done to find out and understand the specifics of what motivated these buyers, and the degree to which each if any of the above or other factors gave a brownfield the competitive advantage over a greenfield alternative, to inform the marketing of brownfields, shaping public policies and regulations and implementation of brownfield cleanup and redevelopment programs. This proposal outlines the generation of such information.

RACER will secure objective, quantitative evidence of the underlying reasons why the buyers of a brownfield vs. a greenfield selected the brownfield, by using a combination of the following three data gathering techniques:

DRAFT
Survey of Buyers of Brownfield Properties
Proposal Outline
5/4/2017

- Survey questionnaire
- In-depth, one-on-one interviews
- Focus groups

The following kinds of buyers, within the past 5 years and throughout the US, will be included:

- Buyers of RACER Trust brownfield properties
- Buyers of non-RACER Trust brownfield properties
- Buyers of greenfield properties who considered brownfields (both RACER and non-RACER) among their alternatives

The work product deliverable will be a report summarizing methods, data, findings, conclusions and recommendations within 12 weeks of project commencement.

To: Graham, Amy[graham.amy@epa.gov]
Cc: Brown, Byron[brown.byron@epa.gov]; Kelly, Albert[kelly.albert@epa.gov]; Fotouhi, David[fotouhi.david@epa.gov]; Bowman, Liz[Bowman.Liz@epa.gov]
From: Davis, Patrick
Sent: Wed 5/10/2017 7:57:48 PM
Subject: Re: FOR REVIEW: Superfund Press Release

Looks good to me.

Patrick

Sent from my iPhone

On May 10, 2017, at 2:14 PM, Graham, Amy <graham.amy@epa.gov> wrote:

Here is a revised draft based on feedback from Byron and Kell –

EPA Administrator Announces New Directive to Prioritize Superfund Cleanups

Administrator Pruitt elevates EPA focus on Superfund cleanup

WASHINGTON – In an effort to restore Superfund cleanup to its rightful place at the center of the U.S. Environmental Protection Agency’s core mission, Administrator Scott Pruitt is prioritizing Superfund cleanup and streamlining the approval process for sites with remedies estimated to cost \$50 million or more. The revision to EPA’s delegation of authority will ensure decision making comes straight from the Administrator. EPA’s Superfund program is responsible for the cleanup some of the nation’s most contaminated areas.

Ex. 5 - Deliberative Process

The Administrator of EPA has always had the authority to sign-off on Superfund remediation efforts. Until recently, however, this authority had been delegated many layers into the bureaucracy, resulting in confusion among stakeholders and delayed revitalization efforts. Putting the decision of how to clean up the sites directly into the hands of the

Administrator will help revitalize contaminated sites faster.

An interagency memo explains: *It is through this enhanced cooperation and continuous involvement that we will work to revitalize this essential Agency effort while enhancing consistency in remedy selection across States and the Regions.*

Administrator Pruitt has prioritized Superfund cleanup as part of his effort to refocus EPA on its intended mission. Last month he visited the USS Lead Superfund Site in East Chicago, Ind., to view ongoing cleanup activities. Administrator Pruitt met with East Chicago residents, federal, state and local officials, and pledged improved coordination and communication as cleanup continues. He was the first EPA Administrator to visit this Superfund site, which was listed on the National Priorities List of the worst contaminated sites in the country in 2009.

[Click here to view the delegation of authority memo issued on May 9, 2017.](#)

Full text of Administrator Pruitt's memo cover letter:

The Superfund program is a vital function of Environmental Protection Agency, and under my administration, Superfund and EPA's land and water cleanup efforts will be restored to their rightful place at the center of the Agency's core mission. As such, in order to facilitate the more-rapid remediation and revitalization of contaminated sites and to promote accountability and consistency in remedy selection, I have issued the accompanying revised CERCLA delegation of authority. With this revised delegation, authority previously delegated to the Assistant Administrator for Office of Land and Emergency Management and the Regional Administrators to select remedies estimated to cost \$50 million or more at sites shall be retained by the Administrator.

The purpose of these revisions is to improve the remedy selection process and to involve the Administrator and the Administrator's office in this process more directly. In light of this revised delegation, please take all necessary steps to adjust associated consultations, reviews, and other practices in a manner consistent with the revised delegation. As part of effectuating this adjustment to the remedy selection process, I ask that you involve the Administrator's office early-on and throughout the process of developing and evaluating

alternatives and remedy selection. This is particularly important for sites where you anticipate that the preferred remedial alternative and/or the remedy selected in the Record of Decision will be estimated to cost more than \$50 million and thus will require the Administrator's approval and signature of the Record of Decision. It is through this enhanced cooperation and continuous involvement that we will work to revitalize this essential Agency effort while enhancing consistency in remedy selection across States and the Regions.

Please consult the revised delegation for additional information. The revised delegation is effective immediately.

###

From: Brown, Byron

Sent: Wednesday, May 10, 2017 1:28 PM

To: Graham, Amy <graham.amy@epa.gov>; Kelly, Albert <kelly.albert@epa.gov>; Fotouhi, David <fotouhi.david@epa.gov>; Davis, Patrick <davis.patrick@epa.gov>

Cc: Bowman, Liz <[Bowman.Liz@epa.gov](mailto: Bowman.Liz@epa.gov)>

Subject: RE: FOR REVIEW: Superfund Press Release

Thanks, Amy. I left you a voicemail with some comments.

Ex. 5 - Deliberative Process

Ex. 5 - Deliberative Process

From: Graham, Amy

Sent: Wednesday, May 10, 2017 1:17 PM

To: Kelly, Albert <kelly.albert@epa.gov>; Fotouhi, David <fotouhi.david@epa.gov>;

Brown, Byron <brown.byron@epa.gov>; Davis, Patrick <davis.patrick@epa.gov>

Cc: Bowman, Liz <[Bowman.Liz@epa.gov](mailto: Bowman.Liz@epa.gov)>

Subject: RE: FOR REVIEW: Superfund Press Release

Ex. 5 - Deliberative Process

Ex. 5 - Deliberative Process

Please refer to this version.

Ex. 5 - Deliberative Process

Ex. 5 - Deliberative Process

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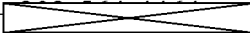
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effectuating this adjustment to the remedy selection process, I ask that you involve the Administrator's office early-on and throughout the process of developing and evaluating alternatives and remedy selection. This is particularly important for sites where you anticipate that the preferred remedial alternative and/or the remedy selected in the Record of Decision will be estimated to cost more than \$50 million and thus will require the Administrator's approval and signature of the Record of Decision. It is through this enhanced cooperation and continuous involvement that we will work to revitalize this essential Agency effort while enhancing consistency in remedy selection across States and the Regions.

Please consult the revised delegation for additional information. The revised delegation is effective immediately.

###

From: Graham, Amy
Sent: Wednesday, May 10, 2017 1:02 PM
To: Kelly, Albert <kelly.albert@epa.gov>; Fotouhi, David <fotouhi.david@epa.gov>; Brown, Byron <brown.byron@epa.gov>; Davis, Patrick <davis.patrick@epa.gov>
Cc: Liz Bowman (Bowman.Liz@epa.gov) <Bowman.Liz@epa.gov>
Subject: FOR REVIEW: Superfund Press Release

Kell/David/Byron/Patrick – Please review the press release attached and below and let us know if you have any edits. Our plan is to the link to the memo on the website. Feel free to give me a call to discuss any questions or concerns 

EPA Administrator Announces New Directive to Prioritize Superfund Cleanups

Ex. 5 - Deliberative Process

Ex. 5 - Deliberative Process

Ex. 5 - Deliberative Process

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The purpose of these revisions is to improve the remedy selection process and to involve the Administrator and the Administrator's office in this process more directly. In light of this revised delegation, please take all necessary steps to adjust associated consultations, reviews, and other practices in a manner consistent with the revised delegation. As part of effectuating this adjustment to the remedy selection process, I ask that you involve the Administrator's office early-on and throughout the process of developing and evaluating alternatives and remedy selection. This is particularly important for sites where you anticipate that the preferred remedial alternative and/or the remedy selected in the Record of Decision will be estimated to cost more than \$50 million and thus will require the Administrator's approval and signature of the Record of Decision. It is through this enhanced cooperation and continuous involvement that we will work to revitalize this essential Agency effort while enhancing consistency in remedy selection across States and the Regions.

Please consult the revised delegation for additional information. The revised delegation is effective immediately.

###

To: Kelly, Albert[kelly.albert@epa.gov]
Cc: Davis, Patrick[davis.patrick@epa.gov]; Brown, Byron[brown.byron@epa.gov]; Falvo, Nicholas[falvo.nicholas@epa.gov]
From: Fotouhi, David
Sent: Wed 7/19/2017 1:43:17 AM
Subject: Draft directive to implement Superfund Task Force recommendations
Superfund--Draft Directive--2017-07-18.docx

Ex. 5 - Deliberative Process; ACC

PRIVILEGED—CONFIDENTIAL—ATTORNEY WORK PRODUCT—

DELIBERATIVE—DO NOT RELEASE

Kell:

For your review, attached to this e-mail is a draft directive from the Administrator instructing certain AAs and RAs to implement various recommendations from the Superfund Task Force report.

Ex. 5 - Deliberative Process; ACC

Ex. 5 - Deliberative Process; ACC

Ex. 5 - Deliberative Process; ACC

I'm available to discuss the draft tomorrow any time after 4:30 p.m.

Best,

David

David Fotouhi

Deputy General Counsel

Office of General Counsel

U.S. Environmental Protection Agency

Tel: +1 202.564.1976

fotouhi.david@epa.gov

To: Kelly, Albert[kelly.albert@epa.gov]; Brown, Byron[brown.byron@epa.gov]; Ringel, Aaron[ringel.aaron@epa.gov]; Woolford, James[Woolford.James@epa.gov]; Stalcup, Dana[Stalcup.Dana@epa.gov]; Mackey, Cyndy[Mackey.Cyndy@epa.gov]
Cc: Falvo, Nicholas[falvo.nicholas@epa.gov]; Burton, Tamika[burton.tamika@epa.gov]; Willis, Sharnett[Willis.Sharnett@epa.gov]
From: Levine, Carolyn
Sent: Thur 6/15/2017 5:13:43 PM
Subject: Congressional staff roundtable discussion on Superfund program

Good afternoon,

You will be receiving a meeting invite from me for a (July) in-person meeting with staff from the House Energy and Commerce Committee and the House Transportation and Infrastructure Committee/Subcommittee on Water Resource and Environment to discuss the Superfund program. €

Ex. 5 - Deliberative Process

Ex. 5 - Deliberative Process

*Because this will be an in-person discussion, space is limited, so please do not forward the meeting invitation. However, I will be sending an additional meeting invite for an internal PRE-BRIEF discussion that is open to additional staff and managers.

Please let me know if you have any questions.

Thank you,

Carolyn

Carolyn Levine

Office of Congressional and

Intergovernmental Relations

U.S. EPA

(202) 564-1859

levine.carolyn@epa.gov

To: Brown, Byron[brown.byron@epa.gov]
From: Greaves, Holly
Sent: Wed 6/14/2017 5:20:00 PM
Subject: superfund enforcement

Byron, here is what I have on superfund enforcement

Ex. 5 - Deliberative Process

Ex. 5 - Deliberative Process

Superfund Enforcement

Q. You have said before that will achieve success in the superfund program by prioritizing funds received from the individuals responsible for the contamination to fund clean-up at sites for which they bear responsibility. However, the Superfund Enforcement budget was reduced by \$40 million and 252 FTEs. In addition, the \$20 million of financial support provided by EPA to the Department of Justice to assist EPA in ensuring that responsible parties perform cleanup actions at sites where they are liable was eliminated.

A.

Ex. 5 - Deliberative Process

To: Jackson, Ryan[jackson.ryan@epa.gov]; Brown, Byron[brown.byron@epa.gov]
From: Fotouhi, David
Sent: Sat 4/22/2017 12:45:04 AM
Subject: RE: Reinforcements are on the way.
Status Memo on Superfund Initiative (2017-04-21).docx

Ex. 5 - Deliberative Process; ACC

Ryan, Byron,

Attached to this e-mail is a memorandum providing an overview and update of our Superfund initiative. I

Ex. 5 - Deliberative Process; ACC

Have a nice weekend!

Best,

David

David Fotouhi

Deputy General Counsel
Office of General Counsel
U.S. Environmental Protection Agency
Tel: +1 202.564.1976
fotouhi.david@epa.gov

-----Original Message-----

From: Jackson, Ryan
Sent: Friday, April 21, 2017 12:23 PM
To: Brown, Byron <brown.byron@epa.gov>
Cc: Fotouhi, David <fotouhi.david@epa.gov>
Subject: Re: Reinforcements are on the way.

Ex. 5 - Deliberative Process; ACC

Also I'll be out Monday but I need you guys to sit down with kell and give him a full read in. He'll want to get to it.

Ryan Jackson
Chief of Staff
U.S. EPA

Ex. 6 - Personal Privacy

> On Apr 21, 2017, at 12:08 PM, Brown, Byron <brown.byron@epa.gov> wrote:

>

> **Ex. 5 - Deliberative Process; ACC**

>

> Sent from my iPhone

>

>> On Apr 21, 2017, at 11:25 AM, Jackson, Ryan <jackson.ryan@epa.gov> wrote:

>>

Ex. 5 - Deliberative Process; ACC

Ex. 5 - Deliberative Process; ACC

Ex. 5 - Deliberative Process; ACC

>> Can you help me out this together for his arrival?

>>

>> Ryan Jackson

>> Chief of Staff

>> U.S. EPA

>

Ex. 6 - Personal Privacy

To: Gunasekara, Mandy[Gunasekara.Mandy@epa.gov]; Schwab, Justin[schwab.justin@epa.gov]; Bowman, Liz[Bowman.Liz@epa.gov]
Cc: Brown, Byron[brown.byron@epa.gov]; Bolen, Brittany[bolen.brittany@epa.gov]; Wilcox, Jahan[wilcox.jahan@epa.gov]; Graham, Amy[graham.amy@epa.gov]
From: Fotouhi, David
Sent: Tue 5/30/2017 11:36:47 PM
Subject: RE: FOR LEGAL REVIEW

Just a few comments:

Ex. 5 - Deliberative Process; ACC

Ex. 5 - Deliberative Process; ACC

Ex. 5 - Deliberative Process; ACC

David Fotouhi

Deputy General Counsel

Office of General Counsel

U.S. Environmental Protection Agency

Tel: +1 202.564.1976

fotouhi.david@epa.gov

From: Gunasekara, Mandy

Sent: Tuesday, May 30, 2017 6:33 PM

To: Schwab, Justin <schwab.justin@epa.gov>; Bowman, Liz <Bowman.Liz@epa.gov>

Cc: Fotouhi, David <fotouhi.david@epa.gov>; Brown, Byron <brown.byron@epa.gov>; Bolen, Brittany <bolen.brittany@epa.gov>; Wilcox, Jahan <wilcox.jahan@epa.gov>; Graham, Amy <graham.amy@epa.gov>

Subject: RE: FOR LEGAL REVIEW

Ex. 5 - Deliberative Process; ACC

This is from testimony to house science committee in March 2016 by William Yeatman (CEI).
Here is link:

<https://science.house.gov/sites/republicans.science.house.gov/files/documents/HHRG-114-SY18-WState-WYeatman-20160323.pdf>

The Chamber included it in a report too

Ex. 5 - Deliberative Process; ACC

https://www.uschamber.com/sites/default/files/documents/files/022879_etra_epa_coercive_federalism_report_fi

From: Schwab, Justin

Sent: Tuesday, May 30, 2017 5:20 PM

To: Bowman, Liz <[Bowman.Liz@epa.gov](mailto: Bowman.Liz@epa.gov)>

Cc: Fotouhi, David <[fotouhi.david@epa.gov](mailto: fotouhi.david@epa.gov)>; Brown, Byron <[brown.byron@epa.gov](mailto: brown.byron@epa.gov)>;

Gunasekara, Mandy <[Gunasekara.Mandy@epa.gov](mailto: Gunasekara.Mandy@epa.gov)>; Bolen, Brittany

<[bolen.brittany@epa.gov](mailto: bolen.brittany@epa.gov)>; Wilcox, Jahan <[wilcox.jahan@epa.gov](mailto: wilcox.jahan@epa.gov)>; Graham, Amy

<[graham.amy@epa.gov](mailto: graham.amy@epa.gov)>

Subject: Re: FOR LEGAL REVIEW

Ex. 5 - Deliberative Process; ACC

Sent from my iPhone

On May 30, 2017, at 5:01 PM, Bowman, Liz <[Bowman.Liz@epa.gov](mailto: Bowman.Liz@epa.gov)> wrote:

Sorry for the quick turn around, but the WSJ wants to editorialize tomorrow on the comments Pruitt made in his meeting with them in NYC. To that regard, we want to

Ex. 5 - Deliberative Process; ACC

Ex. 5 - Deliberative Process; ACC

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WATER/FLINT

January 2015, Flint residents tote jugs of discolored water to a community forum. “In a city where residents have felt under siege for years — from crime, bad press and an emergency manager some feel forced upon them — the newest threat pours from kitchen spigots and showerheads. It's the reason behind mysterious rashes on local children, parents say. Unexplained illnesses. Even sick pets. Bethany Hazard said it's the reason for the brown rust circles that began appearing just months ago around her drains and the oily film in her bathwater in her longtime west-side home. On the east side of Flint, Corodon Maynard said it's the reason he was bent retching violently over the toilet this month — just hours after chugging two glasses of water at bedtime. ‘I was throwing up like bleach water. It came up through my nose burning,’ said the 20-year-old.” ([Detroit Free Press](#), 01/22/15)

February 2015, a resident in Flint notified the EPA there is an orange tint to the tap water in Flint, Michigan. “Lee Anne Walters first noticed water with an orange tint coming out of the tap in her Flint, Michigan, home and rashes on her twin boys. Doctors confirmed one of the boys was showing signs of stunted growth. They were living in Flint at the time because Dennis was stationed there. Walters sent a sample of her water to the EPA, the federal agency that regulates drinking water, expecting it to take care of the problem.” ([CNN](#), 11/30/16)

April 2015, an EPA water expert identified problems with the drinking water in Flint, which the EPA ignored. “An EPA water expert, Miguel Del Toral, identified potential problems with Flint’s drinking water in February, confirmed the suspicions in April and summarized the looming problem in a June internal memo. The state decided in October to change Flint’s drinking water source from the corrosive Flint River back to the Detroit water system. ... As soon as the lack of corrosion controls became apparent, state and federal officials should have acted to protect the public, said Virginia Tech researcher Marc Edwards, whose water analysis in 2015 helped uncover Flint’s lead contamination.” ([Detroit News](#), 01/12/16)

June 2015, EPA’s water expert Miguel Del Toral grew tired of the EPA ‘cesspool,’ and failing to take action in Flint. “A previously unreleased U.S. Environmental Protection Agency email shows the agency’s Midwest whistle-blower pleaded with superiors to protect Flint residents from lead contamination and railed against their failure to do so. In the June 2015 communication, Region 5’s Regulations Manager Miguel Del Toral — called a ‘hero’ by the agency’s top official — described the EPA as “a cesspool” for officials’ reluctance to

act on what he perceived as an obvious public health threat.” ([Detroit News](#), 03/29/16)

June 2015, according to the EPA’s inspector general the EPA had sufficient authority and information to issue an emergency order to protect the residents of Flint. “The Environmental Protection Agency had sufficient authority and information to issue an emergency order to protect residents of Flint, Michigan, from lead-contaminated water as early as June 2015 — seven months before it declared an emergency, the EPA’s inspector general said Thursday. The Flint crisis should have generated ‘a greater sense of urgency’ at the agency to ‘intervene when the safety of drinking water is compromised,’ Inspector General Arthur Elkins said in an interim report.” ([Chicago Tribune](#), 10/20/16)

January 2016, which is nearly 11 months after the first water complaint in Flint, the EPA orders an emergency order. “It took 11 months from when an EPA official first expressed concern over high lead levels in Walters’ home before the EPA issued an emergency order in Flint. The lead levels in Walters’ home were twice the level considered to be toxic waste. Both of her sons were diagnosed with lead poisoning, according to court documents.” ([CNN](#), 11/30/16)

LAND/SUPERFUNDS

EPA Administrator Scott Pruitt toured lead-contaminated areas in East Chicago. “During Pruitt’s visit, his first to a Superfund site since being appointed administrator, he toured the Calumet neighborhood, met with local, state and federal officials, and talked with residents and community members about how the lead and arsenic contamination has affected their lives.” ([Chicago Tribune](#), 04/19/17)

The NAACP praised Pruitt for visiting the East Chicago Superfund Site and said they are cautiously optimistic about the EPA’s Administrator. “At a press conference, local officials praised Pruitt for visiting the site ... Barbara Bolling-Williams, state president of the Indiana branch of the NAACP, said she is cautiously optimistic following Pruitt’s visit.” ([CNN](#), 04/19/17)

REGULATIONS

American Action Forum found that Obama’s CPP would kill over 125,000 jobs. According to American Action Forum (AAF) research, the final plan will shutter 66 power plants and eliminate 125,800 jobs in the coal industry. All of these figures are based on EPA data. ([American Action Forum](#), 08/04/15)

According to the American Coalition for Clean Coal Electricity, CPP is burdensome regulation that doesn’t impact climate change. “Our analysis shows that the following climate effects caused by EPA’s Clean Power Plan are meaningless: Atmospheric CO₂

concentrations are reduced by 0.2%. Global temperature is reduced by 1/100th of a degree Fahrenheit (0.01°F). Sea level rise is reduced by 0.20 millimeter — the thickness of one to two human hairs.” (ACCCE, 08/06/15)

The EPA is forcing a Wyoming rancher to pay \$37,500 a day for violating WOTUS, despite have the proper state permits. “In 2012, Mr. Johnson built a stock pond for his horses and cattle on his 8-acre property in Fort Bridger, Wyoming. Even though the Clean Water Act exempts stock ponds, and Mr. Johnson had obtained the necessary state permits, the EPA ordered him in January 2014 to restore the area to its original condition or accumulate fines of \$37,500 a day. Instead, Mr. Johnson hired a lawyer.” (Washington Times, 08/30/15)

Liz Bowman

U.S. Environmental Protection Agency (EPA)

Deputy Associate Administrator for Public Affairs

Office: 202-564-3293

To: Levine, Carolyn[Levine.Carolyn@epa.gov]; Kelly, Albert[kelly.albert@epa.gov]; Ringel, Aaron[ringel.aaron@epa.gov]; Woolford, James[Woolford.James@epa.gov]; Stalcup, Dana[Stalcup.Dana@epa.gov]; Mackey, Cyndy[Mackey.Cyndy@epa.gov]; Richardson, RobinH[Richardson.RobinH@epa.gov]
Cc: Emmerson, Caroline[Emmerson.Caroline@epa.gov]; Harwood, Jackie[Harwood.Jackie@epa.gov]; DeLeon, Rafael[DeLeon.Rafael@epa.gov]; Patterson, Kenneth[Patterson.Kenneth@epa.gov]; Gardner, Monica[Gardner.Monica@epa.gov]; Davis, Patrick[davis.patrick@epa.gov]
From: Brown, Byron
Sent: Tue 6/27/2017 9:03:20 PM
Subject: RE: Internal pre-brief for Congressional staff discussion on Superfund program

Thanks, Carolyn.

Ex. 5 - Deliberative Process

-----Original Appointment-----

From: Levine, Carolyn
Sent: Tuesday, June 27, 2017 4:49 PM
To: Kelly, Albert; Brown, Byron; Ringel, Aaron; Woolford, James; Stalcup, Dana; Mackey, Cyndy; Richardson, RobinH
Cc: Emmerson, Caroline; Harwood, Jackie; DeLeon, Rafael; Patterson, Kenneth; Gardner, Monica; Davis, Patrick
Subject: Internal pre-brief for Congressional staff discussion on Superfund program
When: Tuesday, July 11, 2017 11:00 AM-12:00 PM (UTC-05:00) Eastern Time (US & Canada).
Where: DCRoomARN3528/OCIR

This is an internal pre discussion for a (tentative) July 12 meeting with House committee staff to discuss the Superfund program.

Ex. 5 - Deliberative Process

Ex. 5 - Deliberative Process

Because of space limitations, the 7/12 Hill meeting attendees will be:

AO:

Kell Kelly

Byron Brown

OCIR:

Robin Richardson

Aaron Ringel

Carolyn Levine

OLEM/OSRTI:

Jim Woolford

Dana Stalcup

OECA/OSRE:

Cyndy Mackey

To: Davis, Patrick[davis.patrick@epa.gov]; Kelly, Albert[kelly.albert@epa.gov]; Jackson, Ryan[jackson.ryan@epa.gov]
Cc: Fonseca, Silvina[Fonseca.Silvina@epa.gov]; Fotouhi, David[fotouhi.david@epa.gov]
From: Brown, Byron
Sent: Mon 5/22/2017 2:56:00 PM
Subject: RE: Superfund-Draft ESP Memo-051917.docx

Ex. 5 - Deliberative Process

Ex. 5 - Deliberative Process

From: Davis, Patrick
Sent: Monday, May 22, 2017 10:45 AM
To: Kelly, Albert <kelly.albert@epa.gov>; Jackson, Ryan <jackson.ryan@epa.gov>
Cc: Fonseca, Silvina <Fonseca.Silvina@epa.gov>; Brown, Byron <brown.byron@epa.gov>; Fotouhi, David <fotouhi.david@epa.gov>
Subject: Superfund-Draft ESP Memo-051917.docx

Attached is the most current version of the Superfund task force memo. It incorporates edits sent to me through this morning.

Ex. 5 - Deliberative Process

patrick

To: Graham, Amy[graham.amy@epa.gov]
Cc: Fotouhi, David[fotouhi.david@epa.gov]; Davis, Patrick[davis.patrick@epa.gov]; Kelly, Albert[kelly.albert@epa.gov]
From: Brown, Byron
Sent: Wed 5/17/2017 4:32:42 PM
Subject: RE: BNA: Pruitt's Superfund Focus Could Limit EPA Cleanup Spending, Fray Local Ties, 5/12/17

Ex. 5 - Deliberative Process

From: Graham, Amy
Sent: Wednesday, May 17, 2017 12:22 PM
To: Brown, Byron <brown.byron@epa.gov>
Cc: Fotouhi, David <fotouhi.david@epa.gov>; Davis, Patrick <davis.patrick@epa.gov>; Kelly, Albert <kelly.albert@epa.gov>
Subject: Re: BNA: Pruitt's Superfund Focus Could Limit EPA Cleanup Spending, Fray Local Ties, 5/12/17

Ex. 5 - Deliberative Process

Sent from my iPhone

On May 17, 2017, at 12:19 PM, Brown, Byron <brown.byron@epa.gov> wrote:

Ex. 5 - Deliberative Process

Ex. 5 - Deliberative Process

From: Graham, Amy
Sent: Wednesday, May 17, 2017 11:56 AM
To: Fotouhi, David <fotouhi.david@epa.gov>; Brown, Byron <brown.byron@epa.gov>
Cc: Davis, Patrick <davis.patrick@epa.gov>; Kelly, Albert <kelly.albert@epa.gov>
Subject: RE: BNA: Pruitt's Superfund Focus Could Limit EPA Cleanup Spending, Fray Local Ties, 5/12/17

Byron – Making you aware of this request from BNA.

Ex. 5 - Deliberative Process

Ex. 5 - Deliberative Process

Ex. 5 - Deliberative Process

From: Fotouhi, David

Sent: Wednesday, May 17, 2017 11:21 AM

To: Graham, Amy <graham.amy@epa.gov>

Cc: Davis, Patrick <davis.patrick@epa.gov>; Kelly, Albert <kelly.albert@epa.gov>

Subject: Re: BNA: Pruitt's Superfund Focus Could Limit EPA Cleanup Spending, Fray Local Ties, 5/12/17

Ex. 5 - Deliberative Process; ACC

Ex. 5 - Deliberative Process; ACC

Sent from my iPhone

On May 17, 2017, at 11:17 AM, Graham, Amy <graham.amy@epa.gov> wrote:

Here is the description from OLEM.

Ex. 5 - Deliberative Process

Ex. 5 - Deliberative Process

Ex. 5 - Deliberative Process; ACC

From: Fotouhi, David

Sent: Wednesday, May 17, 2017 11:16 AM

To: Davis, Patrick <davis.patrick@epa.gov>

Cc: Graham, Amy <graham.amy@epa.gov>; Kelly, Albert <kelly.albert@epa.gov>

Subject: Re: BNA: Pruitt's Superfund Focus Could Limit EPA Cleanup Spending, Fray Local Ties, 5/12/17

Ex. 5 - Deliberative Process; ACC

Sent from my iPhone

On May 17, 2017, at 11:13 AM, Davis, Patrick <davis.patrick@epa.gov> wrote:

I see no problem sharing.

Sent from my iPhone

On May 17, 2017, at 10:08 AM, Graham, Amy <graham.amy@epa.gov> wrote:

Ex. 5 - Deliberative Process; ACC

Ex. 5 - Deliberative Process

From: Fotouhi, David

Sent: Monday, May 15, 2017 11:59 AM

To: Graham, Amy <graham.amy@epa.gov>; Bowman, Liz
<Bowman.Liz@epa.gov>

Subject: RE: BNA: Pruitt's Superfund Focus Could Limit EPA Cleanup
Spending, Fray Local Ties, 5/12/17

Ex. 5 - Deliberative Process

David Fotouhi

Deputy General Counsel

Office of General Counsel

U.S. Environmental Protection Agency

Tel: +1 202.564.1976

fotouhi.david@epa.gov

From: Graham, Amy

Sent: Monday, May 15, 2017 11:44 AM

To: Fotouhi, David <fotouhi.david@epa.gov>; Bowman, Liz
<Bowman.Liz@epa.gov>

Subject: RE: BNA: Pruitt's Superfund Focus Could Limit EPA Cleanup
Spending, Fray Local Ties, 5/12/17

Hi David – Thanks for clarifying.

Ex. 5 - Deliberative Process

Ex. 5 - Deliberative Process

Ex. 5 - Deliberative Process

From: Fotouhi, David

Sent: Friday, May 12, 2017 5:49 PM

To: Graham, Amy <graham.amy@epa.gov>; Bowman, Liz
<Bowman.Liz@epa.gov>

Subject: FW: BNA: Pruitt's Superfund Focus Could Limit EPA Cleanup
Spending, Fray Local Ties, 5/12/17

Just wanted to be sure you saw this

Ex. 5 - Deliberative Process

Ex. 5 - Deliberative Process

David Fotouhi

Deputy General Counsel

Office of General Counsel

U.S. Environmental Protection Agency

Tel: +1 202.564.1976

fotouhi.david@epa.gov

From: McGonagle, Kevin

Sent: Friday, May 12, 2017 9:30 AM

To: AO OPA OMR CLIPS <AO_OPA_OMR_CLIPS@epa.gov>

Subject: BNA: Pruitt's Superfund Focus Could Limit EPA Cleanup Spending, Fray Local Ties, 5/12/17

BNA

http://esweb.bna.com/eslw/1245/split_display.adp?fedfid=111212970&vname=denotallissues&wsn=

Pruitt's Superfund Focus Could Limit EPA Cleanup Spending, Fray Local Ties

By Sylvia Carignan 5/12/17

EPA Administrator Scott Pruitt's deeper involvement in Superfund cleanup decisions could weaken regional office ties to sites and favor less costly cleanup, attorneys and community residents say.

The Environmental Protection Agency's regional offices play a major role in deciding how contaminated sites should be remediated. Since Pruitt will now be involved in those decisions earlier, some say he could cut down on cleanup costs.

But, local Superfund site advocates worry they'll lose out on funding and opportunities to weigh in.

"We've had a very good rapport with our region," Jane Keon, former chair of the citizen task force for the Pine River Superfund site in Michigan, told Bloomberg BNA. "It's been very hard to get federal money ... and our region has really bent over backwards to scrape up funds."

Pruitt released a memo May 9 indicating that he wants to be involved in cleanup decisions earlier in the process, and formally sign-off on decisions where site cleanups are expected to cost more than \$50 million. Those sites are also known as Superfund "megasites," and often involve costly and time-consuming mining, sediment or groundwater cleanup.

The EPA told Bloomberg BNA May 11 it estimates the new policy would affect about 10 sites.

In the memo, Pruitt puts Superfund sites at the center of the agency's mission.

Mathy Stanislaus, former assistant administrator of EPA's Office of Land and Emergency Management, told Bloomberg BNA it's important to consider the motivation behind those changes.

"This pulling back of authority into the administrators office: Is it substantive, or is it political?" he said.

Favoring Caps

Pruitt may take the opportunity to choose less costly remedies for Superfund sites, according to Peter deFur, president of the consulting firm Environmental Stewardship Concepts.

"My prediction would be that it will be more monitored natural attenuation ... a lot more capping of sediment sites, less pump-and-treat for groundwater sites," he told Bloomberg BNA.

Pruitt's involvement may also reduce the likelihood of remedies with costs exceeding \$1 billion, Steve Jawetz, principal at Beveridge and Diamond, P.C. in Washington, told Bloomberg BNA.

DeFur added the administrator's decisions will help companies specializing in certain types of environmental remediation.

“Every time you shift the effort at the national level to a less invasive [method], the dredgers are going to lose and the cappers are going to win,” he said.

Unknown Factors

The new delegation of authority could bottleneck decisions on cleanup efforts, among other effects. But it may be too early to know for sure what they are, Jawetz said.

Involving the administrator early on may create confusion for regional offices, he said, since those offices may need to decide whether to involve the administrator's office before a proposed remedial action plan has been drafted. Given the additional review burden at the administrator's office, Jawetz said more staff will likely be necessary.

Plus, companies that are potentially responsible for cleanup also may opt to communicate with the administrator's office more frequently for large sites.

“Substantive involvement by the Administrator in remedies proposed throughout the country may prove to be a bottleneck, particularly at the end of the fiscal year when many remedy decisions have typically been made,” he said in an email. “We will just have to see how this new approach is implemented.”

Kevin McGonagle

Office of Media Relations Intern

U.S. Environmental Protection Agency

Telephone: (202)-564-4524

mcgonagle.kevin@epa.gov

To: Hupp, Millan[hupp.millan@epa.gov]
Cc: Jackson, Ryan[jackson.ryan@epa.gov]
From: Brown, Byron
Sent: Thur 5/11/2017 1:23:56 PM
Subject: Briefing Material
Superfund-Draft ESP Memo-050917.docx

Ex. 5 - Deliberative Process

Millan – attached are three documents for the Administrator’s reading file:

Ex. 5 - Deliberative Process

Draft Memo on Superfund Reform Initiative

Byron R. Brown

Deputy Chief of Staff for Policy

Office of the Administrator

U.S. Environmental Protection Agency

To: Jackson, Ryan[jackson.ryan@epa.gov]; Fotouhi, David[fotouhi.david@epa.gov]
From: Brown, Byron
Sent: Tue 5/9/2017 12:47:32 PM
Subject: RE:

Ex. 5 - Deliberative Process

Ex. 5 - Deliberative Process

Ex. 5 - Deliberative Process

From: Jackson, Ryan
Sent: Tuesday, May 9, 2017 8:32 AM
To: Brown, Byron <brown.byron@epa.gov>; Fotouhi, David <fotouhi.david@epa.gov>
Subject:

Are you guys working on or considering the

Ex. 5 - Deliberative Process

Ex. 5 - Deliberative Process

Ex. 5 - Deliberative Process

Ryan Jackson

Chief of Staff

U.S. Environmental Protection Agency

Ex. 6 - Personal Privacy

To: Davis, Patrick[davis.patrick@epa.gov]; Fotouhi, David[fotouhi.david@epa.gov]
Cc: Kelly, Albert[kelly.albert@epa.gov]
From: Brown, Byron
Sent: Thur 5/4/2017 5:31:58 PM
Subject: RE: Draft Memo re Superfund Revitalization

Ex. 5 - Deliberative Process; ACC

From: Davis, Patrick
Sent: Thursday, May 4, 2017 9:56 AM
To: Fotouhi, David <fotouhi.david@epa.gov>
Cc: Kelly, Albert <kelly.albert@epa.gov>; Brown, Byron <brown.byron@epa.gov>
Subject: Re: Draft Memo re Superfund Revitalization

Ex. 5 - Deliberative Process; ACC

This is well written, David.

Thank you,

Patrick

Sent from my iPhone

On May 4, 2017, at 9:24 AM, Fotouhi, David <fotouhi.david@epa.gov> wrote:

Patrick, Kell,

Ex. 5 - Deliberative Process; ACC

Ex. 5 - Deliberative Process; ACC

If either of you have any comments or suggestions, please let me know.

Ex. 5 - Deliberative Process; ACC

Ex. 5 - Deliberative Process; ACC

Best,

David

David Fotouhi

Deputy General Counsel

Office of General Counsel

U.S. Environmental Protection Agency

Tel: +1 202.564.1976

fotouhi.david@epa.gov

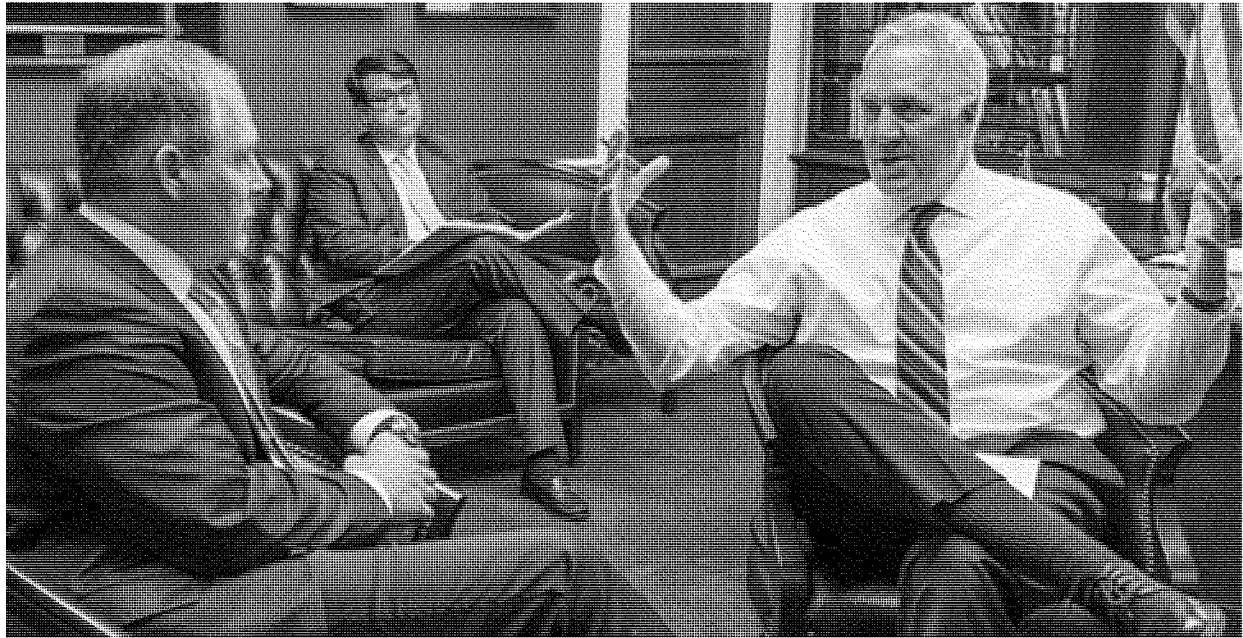
<Superfund-Draft ESP Memo-050417.docx>

To: Lyons, Troy[lyons.troy@epa.gov]
From: Brown, Byron
Sent: Thur 5/4/2017 5:29:03 PM
Subject: you're famous

EPA chief barnstorms Capitol Hill

Geof Koss and Kevin Bogardus, E&E News reporters

Published: Thursday, May 4, 2017



U.S. EPA Administrator Scott Pruitt (left) yesterday made the rounds on Capitol Hill to meet with lawmakers, including House Energy and Commerce Subcommittee on Environment Chairman John Shimkus (R-III.). Photo courtesy of @EPAScottPruitt via Twitter.

U.S. EPA Administrator Scott Pruitt made the rounds on Capitol Hill yesterday, meeting with lawmakers from both parties.

Rep. John Shimkus (R-III.) was impressed with the agency chief. When EPA staff recently told Pruitt it would take a month to prepare a letter he needed to send for agency business, the former Oklahoma attorney general proposed his own solution.

"He says, 'I can write it in two hours, and I'll take it to a mailing house to get it out tomorrow,'" Shimkus told E&E News in an interview today. "And they said 'OK, we'll get it out tomorrow.'"

The anecdote, which the EPA chief shared with Shimkus during a private meeting last week, highlights Pruitt's approach to handling his new job as the nation's top environmental official.

"It just focuses on how he wants to get things done," Shimkus said. "Let the scientists, let the sources make the scientific judgements, but don't let the bureaucracy grind it down to 18 or 24 months."

Shimkus met again with Pruitt yesterday. The pair discussed issues within the jurisdiction of Shimkus' Energy and Commerce Subcommittee on Environment, including safe drinking water, brownfields, the Superfund program and regulatory reform, during the "awesome" meeting, Shimkus said.

Both men have pledged to give new attention to EPA's Superfund program, and Shimkus said he was impressed with Pruitt's knowledge of the West Lake Superfund site in St. Louis, a cleanup near his southern Illinois district that he's been following for years.

"He talks about the embarrassment that the EPA has still not rendered a record of decision for that site," Shimkus said. "And he says it's just ridiculous."

The takeaway for Shimkus from his two meetings was that Pruitt wants results.

"One way or another, get decisions made," he said. "I think he knows that he has a window of time to transformationally change the EPA to more of a service-oriented, 'We're working for the environment and jobs,' and I think he's laser-focused on that."

Shimkus wasn't the only lawmaker to receive a visit from Pruitt.

The EPA administrator also met with Reps. Ken Calvert (R-Calif.), Mike Conaway (R-Texas), Richard Hudson (R-N.C.) and Greg Walden (R-Ore.), chairman of the House Energy and Commerce Committee, as well as Sens. John Hoeven (R-N.D.), Heidi Heitkamp (D-N.D.) and John Barrasso (R-Wyo.), chairman of the Senate Environment and Public Works Committee. Pruitt also sat down with Senate Majority Leader Mitch McConnell (R-Ky.).

In a statement yesterday, Heitkamp said she secured a commitment from Pruitt to visit North Dakota. In addition, she pushed the EPA chief on how he plans to review major environmental rules such as the Clean Power Plan as well as the Waters of the U.S. rule. The senator also questioned him about his support for the renewable fuel standard.

"Any regulatory relief from EPA needs to be lasting so those impacted can plan appropriately, and it should make a real difference for folks on the ground. Just as I pushed the previous administration to make regulations work better without jeopardizing programs that protect clean air and water in North Dakota, I'll do the same with this administration," Heitkamp said.

Hoeven put out his own statement, saying he also pressed Pruitt on the Clean Power Plan and Waters of the U.S. rule. And he asked Pruitt to approve North Dakota's application to be the primary regulator of Class VI injection wells, which inject carbon dioxide into the ground.

"The people of North Dakota and their elected officials deserve an EPA that is focused on the basics of protecting the environment, engaging with state and local partners, and ensuring sensible regulations for economic growth," Hoeven said.

Byron R. Brown

Deputy Chief of Staff for Policy

Office of the Administrator

U.S. Environmental Protection Agency

To: Fotouhi, David[fotouhi.david@epa.gov]
From: Brown, Byron
Sent: Thur 5/4/2017 2:07:54 AM
Subject: Re: CERCLA delegation cover memo language

Hi David. I thought I sent edits in the morning (around 11:30) to your draft.

Sent from my iPhone

On May 3, 2017, at 9:45 PM, Fotouhi, David <fotouhi.david@epa.gov> wrote:

Thanks, Byron. I'm just now getting the chance to take a look at this—sorry for the delay.

Ex. 5 - Deliberative Process; ACC

Ex. 5 - Deliberative Process; ACC

Ex. 5 - Deliberative Process; ACC

Ex. 5 - Deliberative Process; ACC

Thanks,

David

David Fotouhi

Deputy General Counsel

Office of General Counsel

U.S. Environmental Protection Agency

Tel: +1 202.564.1976

fotouhi.david@epa.gov

From: Brown, Byron

Sent: Wednesday, May 3, 2017 4:35 PM

To: Fotouhi, David <fotouhi.david@epa.gov>

Subject: FW: CERCLA delegation cover memo language

Ex. 5 - Deliberative Process; ACC

From: Davis, Patrick

Sent: Wednesday, May 3, 2017 4:16 PM

To: Stalcup, Dana <Stalcup.Dana@epa.gov>; Fotouhi, David <fotouhi.david@epa.gov>;
Lewis, Jen <Lewis.Jen@epa.gov>; Hogan, Joanne <Hogan.Joanne@epa.gov>;
Openchowski, Charles <openchowski.charles@epa.gov>; Breen, Barry
<Breen.Barry@epa.gov>; Brown, Byron <brown.byron@epa.gov>; Wagner, Amelia
<Wagner.Amelia@epa.gov>

Cc: Woolford, James <Woolford.James@epa.gov>; Hilosky, Nick
<Hilosky.Nick@epa.gov>

Subject: RE: CERCLA delegation cover memo language

How about this in red

Ex. 5 - Deliberative Process; ACC

Ex. 5 - Deliberative Process; ACC

Ex. 5 - Deliberative Process; ACC

Patrick Davis

Environmental Protection Agency

Deputy Assistant Administrator, Office of Land and Emergency Management

202-564-3103 office

202-380-8341 cell

Information sent to this email address may be subject to FOIA.

From: Stalcup, Dana

Sent: Wednesday, May 3, 2017 3:59 PM

To: Davis, Patrick <davis.patrick@epa.gov>; Fotouhi, David <fotouhi.david@epa.gov>;
Lewis, Jen <Lewis.Jen@epa.gov>; Hogan, Joanne <Hogan.Joanne@epa.gov>;
Openchowski, Charles <openchowski.charles@epa.gov>; Breen, Barry
<Breen.Barry@epa.gov>; Brown, Byron <brown.byron@epa.gov>; Wagner, Amelia
<Wagner.Amelia@epa.gov>

Cc: Woolford, James <Woolford.James@epa.gov>; Hilosky, Nick
<Hilosky.Nick@epa.gov>

Subject: RE: CERCLA delegation cover memo language

Patrick and all,

Ex. 5 - Deliberative Process; ACC

Thanks - Dana

Dana Stalcup

Deputy Director

OLEM/Office of Superfund Remediation and Technology Innovation (OSRTI)

Desk – 703-603-8702

Cell – 202-309-5473

Follow us on Twitter @EPALand

From: Davis, Patrick

Sent: Wednesday, May 03, 2017 3:38 PM

To: Fotouhi, David <fotouhi.david@epa.gov>; Lewis, Jen <Lewis.Jen@epa.gov>; Hogan, Joanne <Hogan.Joanne@epa.gov>; Openchowski, Charles <openchowski.charles@epa.gov>; Breen, Barry <Breen.Barry@epa.gov>; Brown, Byron <brown.byron@epa.gov>; Wagner, Amelia <Wagner.Amelia@epa.gov>

Cc: Woolford, James <Woolford.James@epa.gov>; Stalcup, Dana <Stalcup.Dana@epa.gov>; Hilosky, Nick <Hilosky.Nick@epa.gov>

Subject: CERCLA delegation cover memo language

Hello team,

Great work on getting this delegation language to this point in less than 24 hours. Below and attached is draft language for the cover memo. Your edits are requested.

Ex. 5 - Deliberative Process

Ex. 5 - Deliberative Process

Thanks for everything!

Patrick Davis

Environmental Protection Agency

Deputy Assistant Administrator, Office of Land and Emergency Management

202-564-3103 office

202-380-8341 cell

Information sent to this email address may be subject to FOIA.

To: Greaves, Holly[greaves.holly@epa.gov]
From: Brown, Byron
Sent: Wed 6/14/2017 9:11:37 PM
Subject: RE: Budget hearing - your help needed

Ex. 5 - Deliberative Process

Please use this version instead.

From: Brown, Byron
Sent: Wednesday, June 14, 2017 5:04 PM
To: Greaves, Holly <greaves.holly@epa.gov>
Subject: RE: Budget hearing - your help needed

Here are some additional Qs and As on these two topics.

From: Greaves, Holly
Sent: Wednesday, June 14, 2017 12:48 PM
To: Gunasekara, Mandy <Gunasekara.Mandy@epa.gov>; Brown, Byron <brown.byron@epa.gov>; Greenwalt, Sarah <greenwalt.sarah@epa.gov>; Beck, Nancy <Beck.Nancy@epa.gov>
Cc: Lyons, Troy <lyons.troy@epa.gov>
Subject: Budget hearing - your help needed
Importance: High

Per Ryan, I am asking your help to create VERY abbreviated versions of our current fact sheets for each topic listed below. We envision just a few talking points per subject, no background information, with one subject per page.

Ex. 5 - Deliberative Process

We need these as soon as possible – can you please provide to me by 5:00 pm ?

Ex. 5 - Deliberative Process

Ex. 5 - Deliberative Process

Ex. 5 - Deliberative Process

Ex. 5 - Deliberative Process

Ex. 5 - Deliberative Process

Ex. 5 - Deliberative Process

Ex. 5 - Deliberative Process

Ex. 5 - Deliberative Process

To: Marchese, April L. EOP/CEO **Ex. 6 - Personal Privacy** Harkins, Michael W.
EOP/WHO **Ex. 6 - Personal Privacy**
Cc: Herrgott, Alex H. EOP/CEQ **Ex. 6 - Personal Privacy** Kelly,
Albert[kelly.albert@epa.gov]
From: Brown, Byron
Sent: Wed 6/14/2017 6:01:40 PM
Subject: Superfund & Brownfields Reform
[Infrastructure-052217-CEQ Data Call-EPA Draft2 Response.docx](#) **Ex. 5 - Deliberative Process**

Hi April and Michael – A couple of weeks ago we sent **Ex. 5 - Deliberative Process**

Ex. 5 - Deliberative Process

Ex. 5 - Deliberative Process Thanks.

Byron R. Brown

Deputy Chief of Staff for Policy

Office of the Administrator

U.S. Environmental Protection Agency

To: Fotouhi, David[fotouhi.david@epa.gov]
From: Brown, Byron
Sent: Tue 5/23/2017 8:02:42 PM
Subject: FW: superfund task force

Ex. 5 - Deliberative Process

From: Kelly, Albert
Sent: Tuesday, May 23, 2017 3:32 PM
To: Bennett, Tate <Bennett.Tate@epa.gov>; Davis, Patrick <davis.patrick@epa.gov>; Brown, Byron <brown.byron@epa.gov>
Cc: Lyons, Troy <lyons.troy@epa.gov>; Bowman, Liz <Bowman.Liz@epa.gov>; Graham, Amy <graham.amy@epa.gov>
Subject: RE: superfund task force

Ex. 5 - Deliberative Process

Albert Kelly

Senior Advisor to the Administrator

1200 Pennsylvania Avenue, NW

Washington, DC 20460

202 306 8830

From: Bennett, Tate
Sent: Tuesday, May 23, 2017 12:19 PM
To: Kelly, Albert <kelly.albert@epa.gov>; Davis, Patrick <davis.patrick@epa.gov>; Brown, Byron <brown.byron@epa.gov>
Cc: Lyons, Troy <lyons.troy@epa.gov>; Bowman, Liz <Bowman.Liz@epa.gov>; Graham, Amy <graham.amy@epa.gov>
Subject: superfund task force

Ex. 5 - Deliberative Process

CONTACT:

press@epa.gov

FOR IMMEDIATE RELEASE

May 22, 2017

EPA Announces Superfund Task Force

Task force to provide recommendations for streamlining Superfund program

WASHINGTON – As part of his continued effort to prioritize Superfund cleanups, U.S. Environmental Protection Agency Administrator Scott Pruitt today announced the creation of a Superfund task force to provide recommendations within 30 days on how the EPA can streamline and improve the Superfund program. This includes: restructuring and expediting the cleanup process; reducing the burden on cooperating parties; incentivizing parties to remediate sites; encouraging private investment in cleanups and sites; and, promoting the revitalization of properties across the country.

“I am confident that, with a renewed sense of urgency, leadership and fresh ideas, the Superfund program can reach its full potential of returning formerly contaminated sites to communities for their beneficial use,” Administrator Pruitt wrote in a memo to EPA staff.

This action follows Administrator Pruitt’s recent [directive](#) for remedies of \$50 million or more to be approved by the Administrator to help revitalize contaminated sites faster.

Administrator Pruitt recently [visited](#) the USS Lead Superfund Site in East Chicago, Ind., to view ongoing cleanup activities. Administrator Pruitt met with East Chicago residents,

federal, state and local officials, and pledged improved coordination and communication as cleanup continues. He was the first EPA Administrator to visit this Superfund site, which was listed on the National Priorities List of the worst contaminated sites in the country in 2009.

Click [here](#) to view Administrator Pruitt's memo issued May 22, 2017.

Full text below:

Protecting human health and the environment is the core mission of the U.S. Environmental Protection Agency, and ensuring that the Superfund program and the EPA's land and water cleanup efforts operate effectively and efficiently is a cornerstone of this mission. In my interactions and meetings with Congress, governors, local officials and concerned citizens, I have heard that some Superfund cleanups take too long to start and too long to complete. The process of evaluating the contamination at a site and developing the appropriate remedy can take years – if not decades – delaying remediation of the site and withholding the full beneficial use of the area from the local community.

The Superfund program is a vital function of the EPA. Under my administration, Superfund and the EPA's land and water cleanup efforts will be restored to their rightful place at the center of the agency's core mission. In order to properly prioritize the Superfund program that citizens count on to revitalize their communities, I am taking these immediate actions:

- First, to promote increased oversight, accountability and consistency in remedy selections, authority delegated to the assistant administrator for Office of Land and Emergency Management and the regional administrators to select remedies estimated to cost \$50 million or more at sites shall be retained by the Administrator. I have issued revised delegations and internal directive documents, consistent with this memorandum and the EPA's legal authorities, to memorialize this change in how the agency makes these extremely significant decisions.
- Second, notwithstanding this change, regional administrators and their staffs shall more closely and more frequently coordinate with the Administrator's office throughout the process of developing and evaluating alternatives and selecting a remedy, particularly at sites with remedies estimated to cost \$50 million or more.

Furthermore, I am establishing a task force to provide recommendations on an expedited timeframe on how the agency can restructure the cleanup process, realign incentives of all involved parties to promote expeditious remediation, reduce the burden on cooperating parties, incentivize parties to remediate sites, encourage private investment in cleanups and sites and promote the revitalization of properties across the country. The task force will be chaired by Albert Kelly, senior advisor to the Administrator, and shall include leaders from OLEM, the Office of Enforcement and Compliance Assurance, the Office of General Counsel, EPA Region 3 (as the lead region for the Superfund program) and other offices as appropriate. The task force shall, within 30 days of this memorandum, provide me with a detailed set of recommendations on actions that the agency can take to:

- Streamline and improve the efficiency and efficacy of the Superfund program, with a focus on identifying best practices within regional Superfund programs, reducing the amount of time between identification of contamination at a site and determination that a site is ready for reuse, encouraging private investment at sites during and after cleanup and realigning incentives of all involved parties to foster faster cleanups.
- The task force should propose recommendations to overhaul and streamline the process used to develop, issue or enter into prospective purchaser agreements, bona fide prospective purchaser status, comfort letters, ready-for-reuse determinations and other administrative tools under the agency's existing authorities used to incentivize private investment at sites.
- Streamline and improve the remedy development and selection process, particularly at sites with contaminated sediment, including to ensure that risk-management principles are considered in the selection of remedies at such sites. In addition, the task force should propose recommendations for promoting consistency in remedy selection and more effective utilization of the National Remedy Review Board and the Contaminated Sediments Technical Advisory Group in an efficient and expeditious manner.

- Utilize alternative and non-traditional approaches for financing site cleanups, as well as improvements to the management and use of Superfund special accounts.
- Reduce the administrative and overhead costs and burdens borne by parties remediating contaminated sites, including a reexamination of the level of agency oversight necessary.
- Improve the agency's interactions with key stakeholders under the Superfund program, particularly other federal agencies at federal facilities and federal potentially responsible parties, and expand the role that tribal, state and local governments, local and regional economic development zones and public-private partnerships play in the Superfund program. In addition, the task force should propose recommendations for better addressing the liability concerns of state, tribes and local governments.

I look forward to receiving these recommendations and working together with EPA staff, as well as our partners across the federal government, in states, tribes, local communities and with potentially responsible parties and other stakeholders to improve the Superfund

Elizabeth Tate Bennett

Senior Deputy Associate Administrator

Congressional and Intergovernmental Affairs

Office of the Administrator

U.S. Environmental Protection Agency

To: Herrgott, Alex H. EOP/CEQ
From: Brown, Byron
Sent: Tue 5/23/2017 4:40:16 PM
Subject: FW: EPA Request: NEC infrastructure proposal
Infrastructure-052217-CEQ Data Call-EPA Draft2 Response.docx

Ex. 6 - Personal Privacy

Ex. 5 - Deliberative Process

This is what I sent last night with info on **Ex. 5 - Deliberative Process**

-----Original Message-----

From: Brown, Byron
Sent: Monday, May 22, 2017 7:18 PM
To: 'Herrgott, Alex H. EOP/CEQ' <**Ex. 6 - Personal Privacy**>
Subject: RE: EPA Request: NEC infrastructure proposal

Alex -- please use this version instead. I

Ex. 5 - Deliberative Process

Ex. 5 - Deliberative Process

-----Original Message-----

From: Brown, Byron
Sent: Monday, May 22, 2017 6:50 PM
To: 'Herrgott, Alex H. EOP/CEQ' <**Ex. 6 - Personal Privacy**>
Subject: RE: EPA Request: NEC infrastructure proposal

Here are some ideas from EPA

Ex. 5 - Deliberative Process

Let

me know if you have questions. - Byron

-----Original Message-----

From: Herrgott, Alex H. EOP/CEQ [mailto:**Ex. 6 - Personal Privacy**]
Sent: Thursday, May 18, 2017 4:48 PM
To: Brown, Byron <brown.byron@epa.gov>
Subject: RE: EPA Request: NEC infrastructure proposal

-----Original Message-----

From: Herrgott, Alex H. EOP/CEQ
Sent: Thursday, May 18, 2017 4:38 PM
To: Byron Brown (brown.byron@epa.gov) <brown.byron@epa.gov>
Subject: EPA Request: NEC infrastructure proposal
Importance: High

Byron,

I need you give me a shout about this.

Ex. 5 - Deliberative Process

Ex. 5 - Deliberative Process

Ex. 5 - Deliberative Process

Alex

Ex. 6 - Personal Privacy

Alexander Herrgott
Associate Director for Infrastructure
Council on Environmental Quality

Ex. 6 - Personal Privacy

To: Mackey, Cyndy[Mackey.Cyndy@epa.gov]; Kelly, Albert[kelly.albert@epa.gov]; Starfield, Lawrence[Starfield.Lawrence@epa.gov]; Breen, Barry[Breen.Barry@epa.gov]; Davis, Patrick[davis.patrick@epa.gov]
Cc: Starfield, Lawrence[Starfield.Lawrence@epa.gov]; Breen, Barry[Breen.Barry@epa.gov]; Woolford, James[Woolford.James@epa.gov]; Lloyd, David[Lloyd.DavidR@epa.gov]; Cheatham, Reggie[cheatham.reggie@epa.gov]; Michaud, John[Michaud.John@epa.gov]; Bertrand, Charlotte[Bertrand.Charlotte@epa.gov]; Leff, Karin[Leff.Karin@epa.gov]; Melvin, Karen[Melvin.Karen@epa.gov]; Falvo, Nicholas[falvo.nicholas@epa.gov]
From: Brown, Byron
Sent: Mon 5/22/2017 4:35:49 PM
Subject: RE: Infrastructure Cleanup and Reuse Initiative
[Infrastructure-052217-CEQ Data Call-CleanUp.docx](#)

Ex. 5 - Deliberative Process

Thanks for pulling this together. I copied and pasted into a new document

Ex. 5 - Deliberative Process

Ex. 5 - Deliberative Process

Ex. 5 - Deliberative Process

From: Mackey, Cyndy
Sent: Saturday, May 20, 2017 1:04 PM
To: Kelly, Albert <kelly.albert@epa.gov>; Brown, Byron <brown.byron@epa.gov>; Starfield, Lawrence <Starfield.Lawrence@epa.gov>; Breen, Barry <Breen.Barry@epa.gov>; Davis, Patrick <davis.patrick@epa.gov>
Cc: Starfield, Lawrence <Starfield.Lawrence@epa.gov>; Breen, Barry <Breen.Barry@epa.gov>; Woolford, James <Woolford.James@epa.gov>; Lloyd, David <Lloyd.DavidR@epa.gov>; Cheatham, Reggie <cheatham.reggie@epa.gov>; Michaud, John <Michaud.John@epa.gov>; Bertrand, Charlotte <Bertrand.Charlotte@epa.gov>; Leff, Karin <Leff.Karin@epa.gov>; Melvin, Karen <Melvin.Karen@epa.gov>; Falvo, Nicholas <falvo.nicholas@epa.gov>
Subject: Infrastructure Cleanup and Reuse Initiative

Kell & Byron:

Attached is a draft 3 page document that sets forth proposals

Ex. 5 - Deliberative Process

Ex. 5 - Deliberative Process

Ex. 5 - Deliberative Process

Ex. 5 - Deliberative Process

Thanks for your interest and engagement in cleaning up and reusing contaminated sites.

Cyndy Mackey

Director, Office of Site Remediation Enforcement

EPA-Office of Enforcement and Compliance Assurance (Mail Code-2271A)

1200 Pennsylvania Ave., N.W. (Room-WJC 5206) Washington, DC 20460

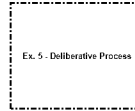
202 564-8206 (Direct Line)

202 564-5110 (Office Line)

Ex. 6 - Personal Privacy Office Cell)

This email is for the intended recipient only and may contain material that is privileged and/or confidential. If you believe you have received this email in error, please notify the sender. Thank you

To: Michael.A.Patel Ex. 6 - Personal Privacy Michael.A.Patella Ex. 6 - Personal Privacy
From: Brown, Byron
Sent: Mon 6/26/2017 9:37:57 AM
Subject: Fwd: EPA Incentives Ideas
[Infrastructure-062317-EPA Incentive Ideas.docx](#)
[ATT00001.htm](#)



Michael - this is what I sent Friday.

Sent from my iPhone

Begin forwarded message:

From: "Brown, Byron" <brown.byron@epa.gov>
Date: June 23, 2017 at 5:59:24 PM EDT
To: "Herrgott, Alex H. EOP/CEQ" < Ex. 6 - Personal Privacy >, "Harkins,
Michael W. EOP/WHO" Ex. 6 - Personal Privacy
Subject: EPA Incentives Ideas

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Let me know if you have questions, otherwise we'll see you Wednesday.

Byron R. Brown

Deputy Chief of Staff for Policy

Office of the Administrator

U.S. Environmental Protection Agency

To: David.J.Gribbin
Cc: Jackson, Ryan
Michael.J.Catanzaro@
From: Brown, Byron
Sent: Mon 4/10/2017 4:41:56 PM
Subject: Superfund
Infr Develop Land Reuse by Region.xlsx

Ex. 6 - Personal Privacy

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DJ – Ryan asked me to follow up.

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Byron R. Brown

Deputy Chief of Staff for Policy

Office of the Administrator

U.S. Environmental Protection Agency

To: Fotouhi, David[fotouhi.david@epa.gov]
From: Brown, Byron
Sent: Wed 4/5/2017 10:52:19 PM
Subject: FW: OLEM Infrastructure Development Docs

Ex. 5 - Deliberative Process

Here are documents OLEM prepared

Ex. 5 - Deliberative Process

Ex. 5 - Deliberative Process

From: Hilosky, Nick
Sent: Monday, March 27, 2017 5:15 PM
To: Brown, Byron <brown.byron@epa.gov>
Cc: Breen, Barry <Breen.Barry@epa.gov>; Fonseca, Silvina <Fonseca.Silvina@epa.gov>
Subject: OLEM Infrastructure Development Docs
Importance: High

Hi Byron,

Barry asked me to circle back with you and send our responses to

Ex. 5 - Deliberative Process

Ex. 5 - Deliberative Process

Please see attached:

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Ex. 5 - Deliberative Process

Thanks,

Nicholas J. Hilosky

Special Assistant

Office of Land and Emergency Management

US Environmental Protection Agency

1200 Pennsylvania Avenue N.W.

Washington, DC 20460

ph: 202-566-1942; fax: 202-566-0207

mobile: Ex. 6 - Personal Privacy

To: Fotouhi, David[fotouhi.david@epa.gov]

From: Brown, Byron

Sent: Fri 3/31/2017 1:18:07 PM

Subject: FW: Waste Management

Landfills Overview Admin; Ex. 5 - Deliberative Process

ATT00001.txt

Waste Management Backgrounder; Ex. 5 - Deliberative Process

Fyi -- the two briefing papers I received.

Ex. 5 - Deliberative Process

-----Original Message-----

From: Knapp, Kristien

Sent: Thursday, March 30, 2017 8:46 PM

To: Hupp, Millan <hupp.millan@epa.gov>; Hupp, Sydney <hupp.sydney@epa.gov>; Hale, Michelle <hale.michelle@epa.gov>; Brown, Byron <brown.byron@epa.gov>; Fonseca, Silvina <Fonseca.Silvina@epa.gov>

Subject: Waste Managment

Hello all - I am so sorry!! But I forgot to send this earlier to get into the Administrator's book tonight. It is a

Ex. 5 - Deliberative Process

To: Fotouhi, David[fotouhi.david@epa.gov]
From: Brown, Byron
Sent: Thur 3/30/2017 2:14:59 PM
Subject: Superfund memo

Hi Daniel –

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Daily News

EPA Weighs Tapping Superfund 'Site' Accounts To Offset FY18 Budget Cuts

March 29, 2017

EPA officials are considering offsetting massive proposed cuts to the Superfund cleanup program in fiscal year 2018 by borrowing from “special accounts” -- site-specific accounts funded from settlements with responsible parties -- to offset any cuts and apply the money more broadly to pay for cleanup needs in the coming year.

EPA’s acting waste chief Barry Breen told a Senate panel hearing March 29 on cleaning up Cold War legacy sites that the agency is “looking for ways we can go deeper into using accounts that the Treasury Department has allowed us to set up.”

“These are interest-bearing savings accounts with the U.S. Treasury where we have put money that defendants have given us we’ve deposited there and we can draw on,” he said in response to a question from Sen. Mike Rounds (R-SD).

Breen said the agency is eyeing the approach because Congress has labeled Superfund “no-year money,” noting that the agency does not have to spend all that it is given in a particular year. “So we can look to prior years’ funding in order to fund needs in future years,” he said.

He added that EPA will also “be looking for efficiencies administratively, efficiencies in the way we move funding among accounts, and more, in order to get as much progress for the public as we can.”

While it is not clear how the agency plans to repay any funds it taps, advancing

the approach may be crucial for Administrator Scott Pruitt, who has pledged to speed cleanups and delist sites from the National Priorities List. But he may be stymied by White House plans to slash \$330 million, or 30 percent, from Superfund cleanup spending in FY18.

The administration has also proposed to cut \$30 million from the \$500 million the program was slated to receive in FY17, saying the additional cuts “will ease the program into further reductions in FY 2018.”

Given such cuts, the special accounts could prove to be a significant source of funds. A 2009 report from EPA's Office of Inspector General (OIG) said at that time there was a surplus of \$1.1 billion spread over 819 special accounts.

Sources now say the surpluses may be even larger. For instance one account alone, stemming from the Obama administration's settlement with Anadarko Petroleum Corp., includes more than \$1 billion intended to address abandoned uranium mining sites on tribal land.

Special Accounts

But the plan to tap funds from the special accounts is drawing mixed reviews from attorneys and some private parties.

One attorney questions whether taking money dedicated to a particular site through a special account and using it for other sites would be a breach of contract, or in effect violate specific settlement terms. Special accounts “have been able to insulate these sites from the vagaries of the budgetary process,” the attorney says.

The attorney says the goal is to raid special accounts and move that money over to the Superfund trust fund, which would allow for the administration to request lower budgets from congressional appropriators. “It takes away money dedicated for sites that would not be available for the [Superfund] trust fund,” the source says.

An industry source downplayed such concerns but nevertheless acknowledged potential “risk” that the money would not be easily repaid if the budget were not to stabilize in future years.

“It’s an accounting matter, not a welching on the deal matter,” the source says. The money could be used now, with the understanding that it will not void future obligations by EPA to repay accounts from which it has borrowed money. This source says that obviously this could not be done every year because of the risks of being unable to pay back the accounts.

The industry source concedes EPA's approach assumes that the budget will become more stable over time so the funds can be repaid, but that there is a risk with taking this position because EPA's budget may not be restored. The source says EPA is probably "making a reasonable risk calculation."

Cleanup Appropriations

Superfund special accounts are separate from the appropriations EPA receives for the cleanup program. Funds appropriated by Congress are dedicated to fund-lead site cleanups, removal actions, pre-remedial work and personnel, the attorney says.

Superfund special accounts, by contrast, are often set up in response to court-sanctioned settlement agreements, where settlement monies from potentially responsible parties (PRPs) are placed into a special account, to be drawn from for cleanup at the specific site for which the PRPs were liable, according to sources familiar with the mechanism.

Section 122(b)(3) under the Comprehensive Environmental Response, Compensation & Liability Act (CERCLA) authorizes EPA to retain and use settlement funds to address cleanups specified in the settlement agreement, EPA's OIG says in the 2009 report on the topic.

It notes that the agency places these funds in interest-bearing, site-specific accounts known as "special accounts."

For instance, these can include situations where smaller contributors at a site cash out and settle with EPA for their share of cleanup costs, according to an industry source. The money is then put into a special account.

The major PRPs at the site then perform 100 percent of the cleanup, and are supposed to be reimbursed from the account for the portion of cleanup for which they were not responsible, although EPA has often been slow to reimburse due to claims of further cleanup requirements at the specific site, the industry source says.

But the accounts and EPA's handling of them has come in for criticism. For example, the OIG has pressed EPA to "reclassify" at least some special account funds -- specifically those the agency held as "reserves" -- to support other priority sites, particularly sites for which human exposure is not under control.

In the 2009 report, the OIG sought improvements to the agency's handling of special accounts, saying its uncoordinated approach "led to missed opportunities

to fund needed Superfund cleanups” and previously had recommended that \$59 million of “idle special account funds be reclassified or transferred” to the Superfund trust fund.

'External Audit'

The accounts have also drawn criticisms from top former Trump transition team officials, who are urging the administration to tap the funds.

“EPA should review the Superfund special accounts and probably then commission an external audit,” Myron Ebell, who led the Trump transition team at EPA, told *Inside EPA*. Ebell, who has now returned to the free-market Competitive Enterprise Institute, said he does not know Pruitt’s views on the matter or what EPA is planning.

Ebell had previously told the *Daily Caller*, a conservative news organization, in 2016 that the special accounts are “the very definition of an out-of-control agency, if they can raise their own money and not have to go to Congress to have it appropriated.”

The news outlet had labeled the accounts “akin to slush funds,” which may have been the impetus for the Trump beachhead team to collect information on the accounts from EPA staff during the transition, informed sources say.

Despite such criticism, the attorney says the site-specific accounts have provided benefits. In addition to funding cleanups, the special accounts have been used to pay for EPA employees. These employees would likely have to be let go, while cleanup at the special account sites “could slow depending on how much money is made available to the site from the trust [fund] and who is doing the cleanup” -- whether EPA or PRPs.

This source believes that sites where PRPs are responsible for conducting cleanups may not be affected because money from settlements with smaller PRP contributors is being used to reduce the liability of PRPs performing the full cleanup. But this source foresees problems at sites where EPA is performing the work, paid for by PRPs into a settlement special account. If the money is transferred, then EPA will not be able to pay the cleanup contractors, the source says. -- *Suzanne Yohannan* (syohannan@iwpnews.com)

Byron R. Brown

Deputy Chief of Staff for Policy

Office of the Administrator

U.S. Environmental Protection Agency